

House Appropriations Committee Decision Document
Representative Capriglione, Subcommittee Chair on Article II
Members: Representatives Dean, Gates, Howard, A. Johnson of Harris, J. Johnson of Dallas, Raney, Rose

Decisions as of March 25 @ 7:00 p.m.

LBB Manager: Julie Lindsey

	Outstanding Items for Consideration				Tentative Subcommittee Decisions			
Article II, Health and Human Services Total, Article II, Health and Human Services Items Not Included in Bill as Introduced	Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
Department of Family and Protective Services (530)								
Total, Outstanding Items / Tentative Decisions	\$ 315,775,412	\$ 298,755,645	\$ -	\$ -	\$ 87,627,449	\$ 127,465,534	\$ 219,909,836	\$ 196,202,918
Total, Full-time Equivalents / Tentative Decisions	534.0	605.0	0.0	0.0	475.0	534.0	59.0	71.0
Department of State Health Services (537)								
Total, Outstanding Items / Tentative Decisions	\$ 146,040,052	\$ 157,864,562	\$ -	\$ -	\$ 915,676	\$ 915,676	\$ 129,868,831	\$ 129,868,831
Total, Full-time Equivalents / Tentative Decisions	111.4	110.4	0.0	0.0	20.0	20.0	86.0	86.0
Health and Human Services Commission (529)								
Total, Outstanding Items / Tentative Decisions	\$ 2,408,048,051	\$ 4,308,618,425	\$ -	\$ -	\$ (1,893,362,837)	\$ (4,878,724,087)	\$ 1,738,722,017	\$ 3,176,656,897
Total, Full-time Equivalents / Tentative Decisions	544.8	592.1	0.0	0.0	141.9	169.0	367.3	387.4
Special Provisions Relating to All Health and Human Services Agencies								
Total, Outstanding Items / Tentative Decisions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total, Full-time Equivalents / Tentative Decisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total, Outstanding Items / Tentative Decisions	\$ 2,869,863,515	\$ 4,765,238,632	\$ -	\$ -	\$ (1,804,819,712)	\$ (4,750,342,877)	\$ 2,088,500,684	\$ 3,502,728,646
Total GR & GR-Ded Adopted Items less Cost-out	\$ 2,869,863,515	\$ 4,765,238,632	\$ -	\$ -	\$ (1,804,819,712)	\$ (4,750,342,877)	\$ 2,088,500,684	\$ 3,502,728,646
	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023
Total, Full-time Equivalents / Tentative Decisions	1190.2	1307.5	0.0	0.0	636.9	723.0	512.3	544.4

Article II, Health and Human Services Department of Family and Protective Services (530) Items Not Included in Bill as Introduced		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
		Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
		GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds	GR & GR- Dedicated	All Funds
Cost-Out Adjustments:									
1.	Align GR-D Account 5084, Child Abuse and Neglect Prevention Operating, with the Biennial Revenue Estimate. This would result in a savings to the bill.	\$ (2,801,403)	\$ (2,801,403)			\$ (2,801,403)	\$ (2,801,403)		
Technical Adjustments:									
1.	Reflect transfer of Adult Protective Services - Provider Investigations and Child Care Licensing Full-time Equivalent (FTE) positions from the Department of Family and Protective Services (DFPS) to the Health and Human Services Commission (HHSC). See HHSC Technical Adjustment #2.	\$ (1,441,960)	\$ (1,575,182)			\$ (1,441,960)	\$ (1,575,182)		
2.	Reallocate General Revenue from HHSC to DFPS for Centralized Accountings and Payroll/Personnel (CAPPS) Compliance Updates and increase interagency contracts at HHSC by a like amount. See HHSC Technical Adjustment #3	\$ 3,478,724	\$ 3,478,724			\$ 3,478,724	\$ 3,478,724		
Agency Requests:									
1.	Sustain Child Protective Services (CPS).								

		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
Article II, Health and Human Services Department of Family and Protective Services (530) Items Not Included in Bill as Introduced		Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
	a. Maintain Purchased Client Services at Current Levels. Funding would maintain the higher fiscal year 2020 base amounts which included transfers to purchased client services strategies B.1.4, Adoption Purchased Services, B.1.7, Substance Abuse Purchased Services and B.1.8, Other CPS Purchased Services. House Bill (HB) 1 includes a total of \$127.5 million in All Funds for these strategies.	\$ 35,081,852	\$ 35,084,832					\$ 35,081,852	\$ 35,084,832
								*Sub-committee Priority	
	b. Foster Care Payments. Funding would align to the agency's forecasted need. HB 1 includes \$1,088.8 million in All Funds to align to the LBB forecast.	\$ 84,152,509	\$ 55,290,117					\$ 84,152,509	\$ 55,290,117
								*Sub-committee Priority	
	c. Partially Restore Travel Funding for CPS Staff. The request would restore travel funding for CPS staff that was included agency's five percent reduction plan. DFPS will continue a reduction to the mileage reimbursement. HB 1 includes a total reduction of \$10.1 million in General Revenue for travel and mileage reimbursement across all programs.	\$ 8,413,547	\$ 9,305,374			\$ 8,413,547	\$ 9,305,374		

Article II, Health and Human Services Department of Family and Protective Services (530) Items Not Included in Bill as Introduced		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
		Items Not Included in HB 1		Pended Items		Adopted		Article XI	
		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
2.	Comply with Federal Court Order in Foster Care Lawsuit. HB 1 does not include any funding for the requested items.								
a.	Staff to Remain within Court Mandated Caseload Guidelines (253.0/312.0 FTEs). Funding would provide staff and funding to meet the fiscal year 2021 CVS target of 16.2 children per worker. FTE request totals 253.0 in fiscal year 2022 and 312.0 in fiscal year 2023 192.0 Conservatorship (CVS) Staff 27.0 CVS Supervisors 27.0 CVS Case Aids 27.0 CVS Administrative Assistants 5.0 CVS Program Directors 5.0 CVS Program Director Clerks 1.0 CVS Program Administrator 1.0 CVS Program Administrator Assistant 27.0 Non-Direct Delivery Staff (Administrative Support)	\$ 36,404,104	\$ 40,194,026			\$ 36,404,104	\$ 40,194,026		

		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
Article II, Health and Human Services		Items Not Included in HB 1		Pended Items		Adopted		Article XI	
Department of Family and Protective Services (530)		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>	
Items Not Included in Bill as Introduced		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
b.	Heightened Monitoring of Residential Facilities (103.0/103.0 FTEs). Funding would provide 103.0 additional staff which DFPS has identified as necessary to comply with the heightened monitoring requirements included in the lawsuit. These include Facility Intervention Team Staffing (FITS), staff to respond to FITS team findings, and a Child Safety Response Team.	\$ 15,266,058	\$ 16,489,280			\$ 15,266,058	\$ 16,489,280		
c.	Residential Child Care Investigations Staff (58.0/58.0 FTEs). Funding would support the increased number of Investigations staff required after the DFPS implemented policy changes that eliminated the majority of reclassifications of intakes to Priority None.	\$ 7,951,931	\$ 8,073,096			\$ 7,951,931	\$ 8,073,096		
d.	Permanent Management Conservatorship Case Reads (5.0/5.0 FTEs). Funding would provide staff to meet the lawsuit requirement to maintain documentation involving all children in PMC who were alleged victims or aggressors/perpetrators of child sexual aggression and/or sexual abuse.	\$ 676,448	\$ 747,752			\$ 676,448	\$ 747,752		

Article II, Health and Human Services Department of Family and Protective Services (530) Items Not Included in Bill as Introduced		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
		Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
		GR & GR-		GR & GR-		GR & GR-		GR & GR-	
		Dedicated	All Funds	Dedicated	All Funds	Dedicated	All Funds	Dedicated	All Funds
e.	IT Projects to Meet Case Orders. Funding would update Information Management Protecting Adults and Children in Texas (IMPACT) and the DFPS Case Management System.	\$ 3,122,001	\$ 3,557,213						
f.	Court Monitor Fees. Represents only the DFPS portion of costs. See also HHSC agency request #2a which totals \$6,239,798 in All Funds.	\$ 19,680,000	\$ 19,680,000			\$ 19,680,000	\$ 19,680,000		
g.	FTE Authority for Current Compliance Related Staff (67.0/67.0 FTEs). This item maintains existing FTE authority created within the agency for lawsuit compliance. This item has no cost.	\$ -	\$ -			Adopt			
3.	Expand Community-based Care. HB 1 includes a total of \$450.6 million in All Funds for Community-based Care in Stages I and II in Regions 3B and 2 and Stage I in Regions 8A and 1.								
a.	Region 8A, Stage II (25.0/25.0 FTEs). Funding includes costs to implement Stage II and related case oversight staff.	\$ 40,565,152	\$ 43,288,796					\$ 40,565,152	\$ 43,288,796

		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
Article II, Health and Human Services Department of Family and Protective Services (530) Items Not Included in Bill as Introduced		Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
b.	Region 8B, Stage I. Funding includes costs to implement Stage I.	\$ 4,525,590	\$ 4,581,351					\$ 4,525,590	\$ 4,581,351
c.	Region 1, Stage II (18.0/18.0 FTEs). Funding includes costs to implement Stage II and related case oversight staff.	\$ 22,368,219	\$ 23,988,535					\$ 22,368,219	\$ 23,988,535
d.	Region 8B, Stage II (0.0/12.0 FTEs). Funding includes costs to implement Stage II and related case oversight staff.	\$ 6,996,094	\$ 7,404,496					\$ 6,996,094	\$ 7,404,496
e.	Region 3E, Stage I (6.0/6.0 FTEs). Funding includes costs to implement Stage I and for staff for administration, contract management, implementation support and finance.	\$ 6,822,043	\$ 7,011,726					\$ 6,822,043	\$ 7,011,726
f.	Region 9, Stage I (2.0/2.0 FTEs). Funding includes costs to implement Stage I and for staff for administration and contract management.	\$ 1,996,667	\$ 2,044,634					\$ 1,996,667	\$ 2,044,634
g.	Region 4, Stage I (2.0/2.0 FTEs). Funding includes costs to implement Stage I and for staff for administration and contract management.	\$ 2,109,505	\$ 2,159,089					\$ 2,109,505	\$ 2,159,089

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		GR & GR-		GR & GR-		GR & GR-		GR & GR-	
		Dedicated	All Funds	Dedicated	All Funds	Dedicated	All Funds	Dedicated	All Funds
	h. Region 5, Stage I (2.0/2.0 FTEs). Funding includes costs to implement Stage I and for staff for administration and contract management.	\$ 1,504,614	\$ 1,543,141					\$ 1,504,614	\$ 1,543,141
	i. Random Moment in Time Study for CBC Stage II. Funding to establish a cost allocation methodology in alignment with the agency's approved DFPS Public Assistance Cost Allocation plan for any Region entering stage II of CBC.	\$ 350,000	\$ 350,000					\$ 350,000	\$ 350,000
4.	Expand Prevention Services.								
	a. STAR (Family and Youth Success Program). Funding would provide services for an additional 4,133 families. HB 1 includes \$48.8 million in All Funds.	\$ 3,886,304	\$ 3,886,304					\$ 3,886,304	\$ 3,886,304
								*Sub-committee Priority	
	b. Healthy Outcomes through Prevention and Early Support (HOPES). Funding would provide services for an additional 1,429 families. HB 1 includes \$47.8 million in All Funds to serve 7,948 families.	\$ 4,286,312	\$ 4,286,312					\$ 4,286,312	\$ 4,286,312
								*Sub-committee Priority	

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		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
	c. Prevention Services for Military and Veteran Families. Funding would provide services for an additional 1,101 families. HB 1 includes \$3.2 million in General Revenue to serve 1,762 families.	\$ 1,000,000	\$ 1,000,000					\$ 1,000,000	\$ 1,000,000
								*Sub-committee Priority	
	d. Staffing Support for Prevention Services (4.0/4.0 FTEs). Funding would provide contract management support. HB 1 includes \$15.1 million in All Funds for Strategy 3.1.6, Provide Program Support for At-Risk Prevention Services.	\$ 827,384	\$ 827,384					\$ 827,384	\$ 827,384
5.	Family First Prevention Services Act (FFPSA). This item serves as a placeholder to discuss implementation of the federal bill. HB 1 does not include federal funding or assumed General Revenue losses for FFPSA.	\$ -	\$ -			\$ -	\$ 33,873,867		
6.	Data Center Services Consolidation. Funding would maintain ongoing and cost increases due to transition to a new Microsoft Office 365 Enterprise Licensing model. HB 1 includes \$18.0 million in All Funds.	\$ 3,146,126	\$ 3,433,847						

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		GR & GR- Dedicated		GR & GR- Dedicated		GR & GR- Dedicated		GR & GR- Dedicated	
		All Funds		All Funds		All Funds		All Funds	
7.	Realign Screener Staff from CPS to Statewide Intake. This item would transfer the screener function, including FTEs and funding, to Statewide Intake to focus on screening cases of abuse and neglect earlier in the process. This item has no cost.	\$ -	\$ -			Adopt			
8.	Funding for Adult Protective Services Program Support. Funding would maintain fiscal year 2021 base funding level. HB 1 includes \$8.4 million in All Funds.	\$ 636,188	\$ 654,798					\$ 636,188	\$ 654,798
9.	General Revenue for Projected Children's Trust Fund Revenue Loss. Due to long-term declining marriage license revenue, requested funding would replace the related dedicated revenue with General Revenue. HB 1 includes \$11.4 million in GR-D Account 5084, Child Abuse and Neglect Prevention Operating.	\$ 4,771,403	\$ 4,771,403					\$ 2,801,403	\$ 2,801,403
10.	Revise Rider 5, Limitation on Transfers: Foster Care, Adoption Subsidy, Permanency Care Assistance, and Relative Caregiver Payments, to require notification instead of written approval for transfers into or out of the foster care, adoption subsidy, permanency care assistance and relative caregiver strategies.	\$ -	\$ -					Adopt	

*Sub-committee Priority

Article II, Health and Human Services Department of Family and Protective Services (530) Items Not Included in Bill as Introduced		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
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		GR & GR- Dedicated		GR & GR- Dedicated		GR & GR- Dedicated		GR & GR- Dedicated	
		All Funds		All Funds		All Funds		All Funds	
11.	Revise Rider 6, Other Reporting Requirements, to submit quarterly reports within 60 days of the end of the fiscal quarter instead of 30 days.	\$	-	\$	-				Adopt
12.	Revise Rider 7, Limitation on Expenditures for Texas Workforce Commission (TWC) Contracted Day Care, to require written notification instead of written approval for transfers into or out of the day care strategy.	\$	-	\$	-				Adopt
13.	Revise Rider 10, Limitation on Transfers: CPS and APS Direct Delivery Staff, to require written notification instead of written approval for transfers into or out of direct delivery strategies.	\$	-	\$	-				Adopt
14.	Revise Rider 11, Medicaid and Title IV-E Federal Funds, to require written notification instead of written approval to expend General Revenue and TANF federal funds freed up by increased federal entitlement funds.	\$	-	\$	-				Adopt
15.	Revise Rider 27, Limitations: Community-based Care Payments, to require written notification instead of written approval for transfers into the direct delivery staff strategy and request to report actual expenditures within 60 days of the end of the fiscal quarter instead of 30 days.	\$	-	\$	-				Adopt
16.	Revise Rider 31, Purchased Client Services Reporting and Limitations, to change the report due date from November 1 to January 1 and request to require written notification instead of written approval for transfers into or out of the purchased client services strategies.	\$	-	\$	-				Adopt
17.	Revise Rider 36, Community-based Care Oversight Staff, to update strategy reference.	\$	-	\$	-			Adopt	

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		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
18.	Add Rider 38, Community-based Care Stage III Incentives and Penalties, to authorize DFPS to award incentives and issue financial remedies related to provider performance.	\$ -	\$ -			Adopt			
Subcommittee Revisions and Additions:									
1.	Add a new rider directing the agency in the use of Family First Transition Act (FFTA) funds.							Adopt	
Total, Outstanding Items / Tentative Decisions		\$ 315,775,412	\$ 298,755,645	\$ -	\$ -	\$ 87,627,449	\$127,465,534	\$219,909,836	\$196,202,918
		FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023
Total, Full-time Equivalents / Tentative Decisions		534.0	605.0	0.0	0.0	475.0	534.0	59.0	71.0

Article II, Health and Human Services Department of State Health Services (537) Items Not Included in Bill as Introduced	Outstanding Items for Consideration				Tentative Subcommittee Decisions			
	Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
Cost-Out Adjustments:								
1. Increase General Revenue-Dedicated Account No. 5048, Permanent Hospital Fund for Capital Improvements and the Texas Center for Infectious Disease, appropriations by \$13,271 in fiscal year 2022 and \$27,706 in fiscal year 2023 to align with the Comptroller's Biennial Revenue Estimate and reduce General Revenue by a like amount. Also, revise Rider 20, Permanent Hospital Fund. This would result in a savings to the bill.	\$ -	\$ -			Adopt			
2. Reduce General Revenue-Dedicated Account No. 524, Public Health Services Fee, by \$5,843,372 to align with the Comptroller's Biennial Revenue Estimate and increase General Revenue by a like amount. See Department of State Health Services (DSHS) Technical Adjustment #3.	\$ -	\$ -			Adopt			
Technical Adjustments:								
1. Reflect transfer of 10.0 Full-time Equivalent (FTE) positions from the Health and Human Services Commission (HHSC) to the Department of State Health Services (DSHS) for Texas Center for Infectious Disease security positions. See HHSC Technical Adjustment #1.	\$ -	\$ -			Adopt			
2. Reallocate General Revenue from HHSC to DSHS for Centralized Accountings and Payroll/Personnel (CAPPS) Compliance Updates and increase interagency contracts at HHSC by a like amount. See HHSC Technical Adjustment #3.	\$ 915,676	\$ 915,676			\$ 915,676	\$ 915,676		

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3.	Revise DSHS Rider 7, Appropriation: Contingent Revenue, to have additional revenue received by DSHS above the Biennial Revenue Estimate from General Revenue-Dedicated Account No. 524, Public Health Services Fee, result in an equivalent reduction in General Revenue up to \$5,843,372. See DSHS Cost-Out Adjustment #2.	\$ -	\$ -			Adopt			
Agency Requests:									
1.	HIV/STD Medication Funding. Agency-identified funding need due to higher than expected costs for HIV medications. HB 1 includes \$247.9 million in All Funds for HIV/STD Medications.	\$ 103,358,765	\$ 103,358,765					\$103,358,765	\$103,358,765
								*Sub-committee Priority	
2.	Rural and Frontier Public Health (36.0/36.0 FTEs). Funding would provide for 14 additional rural and frontier public health field offices and 30.0 FTEs to provide essential public health services including surveillance, treatment, and prevention of infectious disease. Funding would also provide for 3 mobile clinic vehicles and 6.0 FTEs to serve harder-to-reach areas.	\$ 13,058,537	\$ 13,058,537					\$ 13,058,537	\$ 13,058,537
								*Sub-committee Priority	
3.	Consumer Protection and Safety								

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a.	Food Safety FTEs (25.0/25.0). Funding would provide \$3,881,181 for 25.0 additional Food Safety FTEs to address deficiencies identified in an audit related to providing an adequate level of licensure, inspection, and enforcement activities; funding would also provide \$2,012,070 to increase salaries to prevent turnover in public health sanitarian positions.	\$ 5,893,251	\$ 5,893,251					\$ 5,893,251	\$ 5,893,251
b.	Hemp Program (3.4/3.4 FTEs). Funding would provide for additional FTEs for the hemp program to align with anticipated license and registrations, product testing, and enforcement activities. House Bill 1 (HB 1) includes \$1.2 million in General Revenue and 4.2 FTEs for hemp regulation.	\$ 590,470	\$ 590,470						
c.	Customer Service Efficiency (1.0/0.0 FTEs). Funding would improve the functionality of the online licensure and registration system to address delays in processing times for inspecting, licensing, and relicensing businesses regulated by DSHS. Also, revise Rider 2, Capital Budget.	\$ 1,181,028	\$ 1,181,028						
4.	Effective Business Operations								

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a.	Fiscal Management FTEs (25.0/25.0 FTEs). Funding would provide \$4,593,714 for additional Fiscal Management FTEs and \$2,964,464 to increase salaries to reduce turnover to ensure sufficient monitoring of awarded and appropriated funds including timely billing, payment, and cost recoupment.	\$ 7,558,278	\$ 7,558,278					\$ 7,558,278	\$ 7,558,278
b.	Data Center Services. Funding would provide for ongoing and increased costs for Data Center Services following significant upgrades to infectious disease surveillance systems. Also, revise Rider 2, Capital Budget. HB 1 includes \$27.4 million in All Funds for Data Center Services.	\$ 8,121,908	\$ 19,946,418						
c.	Health Registries (1.0/1.0 FTE). Funding would provide for a system viability assessment for the information technology platform used for DSHS health registries including the Texas Birth Defects Registry, Blood Lead Registry, Tuberculosis/Human Immunodeficiency Virus/Sexually Transmitted Diseases Integrated System, and the Emergency Medical Services and Trauma Registry.	\$ 5,362,139	\$ 5,362,139						

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		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
d.	Vital Statistics FTEs (10.0/10.0 FTEs). This item would provide FTE authority only for Vital Statistics to support DSHS in maintaining a low backlog of vital records requests. This item has no cost. HB 1 includes 180.5 FTEs in Vital Statistics.	\$ -	\$ -			Adopt			
e.	Texas Center for Infectious Disease (TCID) Repair and Renovation. This item would provide \$888,000 in capital budget authority for TCID Repair and Renovation to replace and repair the chiller, hospital room equipment, and kitchen equipment. Also, revise Rider 2, Capital Budget. HB 1 includes funding for TCID, agency is requesting capital budget authority only. This item has no cost.	\$ -	\$ -						
5.	Revise Rider 3, Appropriations Limited to Revenue Collections, to remove accounts in which recommendations exceed projected revenue collections.	\$ -	\$ -			Adopt as Amended			
6.	Revise Rider 7, Appropriation: Contingent Revenue, to add revenue object 3554 in the General Revenue Fund for consumable hemp products and to add a contingency that allows the agency to increase FTEs if additional revenue from hemp is available.	\$ -	\$ -						

		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
Article II, Health and Human Services Department of State Health Services (537) Items Not Included in Bill as Introduced		Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
7.	Revise Rider 22, Maternal Mortality and Morbidity, to update method-of-finance from Federal Funds to All Funds to allow flexibility in funds used for the programs.	\$ -	\$ -			Adopt			
8.	Revise Rider 27, HIV Care Formula Grants, to have rider require notification if DSHS expends HIV Care Formula Grants in excess of the appropriated amount instead of if DSHS expends the upcoming year's award in the current year.	\$ -	\$ -			Adopt as Amended			
Subcommittee Revisions and Additions:									
1.	Add new rider to appropriate Consumable Hemp revenue received by DSHS above amounts included in their appropriations up to \$598,992 in each fiscal year (see exceptional item #3(b) and 6 above).					Adopt			
Total, Outstanding Items / Tentative Decisions		\$ 146,040,052	\$ 157,864,562	\$ -	\$ -	\$ 915,676	\$ 915,676	\$129,868,831	\$129,868,831
		FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023
Total, Full-time Equivalents / Tentative Decisions		111.4	110.4	0.0	0.0	20.0	20.0	86.0	86.0

Article II, Health and Human Services Health and Human Services Commission (529) Items Not Included in Bill as Introduced	Outstanding Items for Consideration				Tentative Subcommittee Decisions			
	Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
Cost-Out Adjustments:								
1. Reduce General Revenue Account No. 8046, Vendor Drug Rebates - Public Health to align with the Comptroller's Biennial Revenue Estimate. This would result in a savings to the bill.	\$ (6,623,946)	\$ (6,623,946)			\$ (6,623,946)	\$ (6,623,946)		
Technical Adjustments:								
1. Reflect transfer of 10.0 Full-time Equivalent (FTE) positions from the Health and Human Services Commission (HHSC) to the Department of State Health Services (DSHS) for Texas Center for Infectious Disease security positions. See DSHS Technical Adjustment #1.	\$ -	\$ -			Adopt			
2. Reflect transfer of Adult Protective Services - Provider Investigations and Child Care Licensing FTEs from the Department of Family and Protective Services (DFPS) to HHSC. See DFPS Technical Adjustment #1.	\$ 1,441,960	\$ 1,575,182			\$ 1,441,960	\$ 1,575,182		
3. Reallocate General Revenue to DSHS and DFPS for Centralized Accountings and Payroll/Personnel (CAPPS) Compliance Updates and increase interagency contracts at HHSC by a like amount. See DFPS Technical Adjustment #2 and DSHS Technical Adjustment #2.	\$ (4,394,400)	\$ (4,394,400)			\$ (4,394,400)	\$ (4,394,400)		
4. Reallocate \$10.0 million in General Revenue from Strategy D.2.1, Community Mental Health Services - Adults, to Strategy D.2.3, Community Mental Health Crisis Services, to restore a transfer associated with the Harris County Jail Diversion program that had been assumed in House Bill 1 (HB 1).	\$ -	\$ -			Adopt			

Article II, Health and Human Services Health and Human Services Commission (529) Items Not Included in Bill as Introduced		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
		Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
		GR & GR-Dedicated		GR & GR-Dedicated		GR & GR-Dedicated		GR & GR-Dedicated	
		All Funds		All Funds		All Funds		All Funds	
5.	Update method-of-finance listing in Rider 24, Use of Additional CHIP Revenue.	\$	-	\$	-			Adopt	
6.	Update amounts in Rider 38, Funding for Healthy Texas Women Plus.	\$	-	\$	-			Adopt	
Other Budget Recommendations									
1.	GR-D Compensation to Victims of Crime Account 469 Balance Deficiency. Amounts in the introduced General Appropriations Bill is projected to result in a negative fund balance at the end of FY 2023. Beginning FY 2022 balances are estimated by OAG to be \$11.2 million with revenues of \$133.7 million over the biennium (total available \$145 million). Funding in the introduced bill, including End of Article benefits includes \$158.8 million, detailed below, resulting in a negative ending balance of \$13.8 million. In addition, the OAG maintains a \$10 million emergency reserve in case crime victim claims exceed projections and an additional 5 percent excess revenue for certification (\$6.2.million) required by statute (Code of Criminal Procedure, Article 56B.460). If those amounts are factored in, the resulting negative balance is \$30.3 million.					Adopted \$13,765,175 in GR at Health and Human Services Commission and corresponding reduction in GR-D 469 for Child Advocacy Programs.			
	Funding in the introduced bill includes a total of \$158,755,404: - Attorney General: \$125,245,380 - Health and Human Services Commission: \$20,459,688 - End of Article: \$13,050,336								
2.	GR-D Sexual Assault Program Account 5010 Balance Deficiency. Amounts in the introduced General Appropriations Bill is projected to result in a negative fund balance at the end of FY 2023. Beginning FY 2022 balances are estimated by OAG to be \$3.7 million with revenues of \$37.8 million over the biennium (total available \$41.5 million). Funding in the introduced bill, including End of Article benefits includes \$52.7 million, detailed below, resulting in a negative ending balance of \$11.2 million.					Adopted \$10,000,000 in GR for Health and Human Services Commission and corresponding reductions of GR-D 5010 for Child Advocacy Centers.			

		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
Article II, Health and Human Services Health and Human Services Commission (529) Items Not Included in Bill as Introduced		Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
Funding in the introduced bill includes a total of \$52,677,297: - Attorney General: \$19,208,611 - Governor Trusteed Programs: \$2,000,000 - Health and Human Services Commission: \$10,000,000 - Supreme Court: \$10,000,000 - Department of Public Safety: \$9,900,022 - End of Article (benefits for DPS staff): \$1,558,664									
Agency Requests:									
1. Provide for Client Services Cost Growth in the 2022-23 biennium.									
a. Medicaid Entitlement. HB 1 includes \$66,008.4 million in All Funds for Medicaid entitlement services.		\$ 1,440,969,855	\$ 2,654,236,205					\$1,440,969,855	\$2,654,236,205
b. Medicaid Non-entitlement. HB 1 includes \$3,572.4 million in All Funds for Medicaid non-entitlement client services.		\$ 9,930,076	\$ (27,101,944)					\$ 9,930,076	\$ (27,101,944)
c. Children's Health Insurance Program (CHIP). HB 1 includes \$1,791.3 million in All Funds for CHIP client services.		\$ 45,919,309	\$ 138,720,061					\$ 45,919,309	\$ 138,720,061
d. Temporary Assistance for Needy Families (TANF) Cash Assistance. HB 1 includes \$93.4 million in All Funds for TANF Cash Assistance.		\$ 8,552,054	\$ 8,552,054					\$ 8,552,054	\$ 8,552,054
2. Residential Child Care Regulation (RCCR).									

Article II, Health and Human Services Health and Human Services Commission (529) Items Not Included in Bill as Introduced		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
		Items Not Included in HB 1		Pended Items		Adopted		Article XI	
		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
	a. Respond to Foster Care Litigation. (140.9/144.0 FTEs)	\$ 30,952,789	\$ 30,952,789			\$ 30,952,789	\$ 30,952,789		
	Funding would support activities to comply with court order in the foster care lawsuit, including implementing caseload guidelines, performing heightened monitoring of certain residential child care facilities, reimbursing court monitors, and necessary technology changes to the Childcare Licensing Automated Support System (CLASS). Funding would also support a Compliance/Quality Assurance team and support staff.								
	Also, revise Rider 2, Capital Budget.								
	b. Migrate RCCR IT Systems from DFPS to HHSC and Perform Upgrades to WebLogic. (9.0/9.0 FTEs)	\$ 7,280,267	\$ 7,280,267						
	Funding would provide for the migration of CLASS, CLASSMate, and Public and Provide systems from DFPS to HHSC. Funding would also upgrade WebLogic.								
	Also, revise Rider 2, Capital Budget.								
	3. Provide Direct Acting Antiviral (DAA) Treatment for Hepatitis C Virus (HCV).								
	a. Medicaid.	\$ 44,404,579	\$ 112,902,565			\$ 44,404,579	\$ 112,902,565		
	Funding would provide DAA treatment for an estimated 6,656 Medicaid clients with HCV.								
	b. State Hospitals.	\$ 2,853,914	\$ 2,853,914					\$ 2,853,914	\$ 2,853,914
	Funding would provide DAA treatment for an estimated 280 state hospital residents with HCV.								

Article II, Health and Human Services Health and Human Services Commission (529) Items Not Included in Bill as Introduced		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
		Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
		GR & GR-Dedicated		GR & GR-Dedicated		GR & GR-Dedicated		GR & GR-Dedicated	
		All Funds		All Funds		All Funds		All Funds	
4.	Community Care Waiver Slots. (56.5/64.5 FTEs) Funding would provide for additional community care waiver slots, including: - 224 Community Living Assistance and Support Services (CLASS) slots - 13 Deaf-blind Multiple Disabilities (DBMD) slots - 2,057 Home and Community-based Services (HCS) slots, including 919 slot for Promoting Independence diversion and transition and 1,138 slots for interest list reduction - 185 Texas Home Living (TxHmL) slots - 220 Medically Dependent Children Program (MDCP) slots - 812 STAR+PLUS Home and Community-based Services (HCBS) slots Funding would also provide additional FTEs to support the new waiver slots by performing eligibility determination and enrollment, utilization review, contract management, and regulatory support.	\$ 74,446,481	\$ 191,097,390					\$ 74,446,481	\$ 191,097,390
5.	Medicaid Management Information System (MMIS) Modernization.								
a.	Procurement and Transition. Funding would support modernization of MMIS, including initial procurements and transition to new vendors. Also, revise Rider 2, Capital Budget.	\$ 31,644,412	\$ 266,406,192						

*Sub-committee Priority

Article II, Health and Human Services Health and Human Services Commission (529) Items Not Included in Bill as Introduced		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
		Items Not Included in HB 1		Pended Items		Adopted		Article XI	
		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
	b. Vendor Drug Program Pharmacy Benefits Services Modernization. Funding would support transition of the current Vendor Drug Program (VDP) to the VDP Pharmacy Benefits Services Modernization solution. Also, revise Rider 2, Capital Budget.	\$ 2,928,372	\$ 25,213,488						
6.	Expand Electronic Visit Verification (EVV) to Home Health Services to Comply with 21st Century Cures Act.								
	a. Transaction Costs. Funding would support transaction costs associated with expanding EVV to home health services.	\$ 753,750	\$ 3,015,000			\$ 753,750	\$ 3,015,000		
	b. Update Claims Administrator Systems. Funding would provide for updates to systems managed by the Texas Claims Administrator which are necessary in order to process claims and EVV data for home health services.	\$ 150,000	\$ 1,500,000			\$ 150,000	\$ 1,500,000		
	c. Update Contracted Vendor Systems. Funding would provide for update to EVV vendor systems which are necessary to expand EVV to home health services.	\$ 350,000	\$ 3,500,000			\$ 350,000	\$ 3,500,000		
7.	Information Technology (IT) Threat and System Stabilization and Restoration.								

Article II, Health and Human Services Health and Human Services Commission (529) Items Not Included in Bill as Introduced		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
		Items Not Included in HB 1		Pended Items		Adopted		Article XI	
		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
a.	System-wide Business Enablement Platform (SWBEP). (15.2/15.2 FTEs) Funding would support continuation of the SWBEP and migration of the Health and Human Services Enterprise Administrative Reporting and Tracking System (HEART), Chief Financial Officer Financial Support System (CFO-FSS) Automated Services and Reports System, and applications built using the WebSphere platform to the SWBEP. Also, revise Rider 2, Capital Budget, and Special Provisions Section 9, System Support Services. <i>Note: System Exceptional Item. Includes General Revenue requested on behalf of DFPS and DSHS, which will be reallocated to the agencies as appropriate if adopted.</i>	\$ 8,444,183	\$ 13,418,742						
b.	Modernize End-of-Life/End-of-Support Network Equipment. (2.0/2.0 FTEs) Funding would provide for replacement of end-of-life/end-of-support network infrastructure, including: routers; switches; perimeter security protection equipment; firewalls; wireless local area networks; and uninterruptible power supplies. Also, revise Rider 2, Capital Budget, and Special Provisions Section 9, System Support Services. <i>Note: System Exceptional Item. Includes General Revenue requested on behalf of DFPS and DSHS, which will be reallocated to the agencies as appropriate if adopted.</i>	\$ 35,263,355	\$ 48,983,686						

		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
Article II, Health and Human Services Health and Human Services Commission (529) Items Not Included in Bill as Introduced		Items Not Included in HB 1 <u>2022-23 Biennial Total</u>		Pended Items <u>2022-23 Biennial Total</u>		Adopted <u>2022-23 Biennial Total</u>		Article XI <u>2022-23 Biennial Total</u>	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
c.	Cybersecurity Advancement. Funding would support protection of computers, networks, programs, and data from unintended or unauthorized access, change, or destruction. Also, revise Rider 2, Capital Budget, and Special Provisions Section 9, System Support Services. <i>Note: System Exceptional Item. Includes General Revenue requested on behalf of DFPS and DSHS, which will be reallocated to the agencies as appropriate if adopted.</i>	\$ 2,876,122	\$ 4,426,130						
d.	Stabilization of Enterprise Server and Storage. Funding would support consolidation of at least 170 local servers to a Department of Information Resources (DIR) data center services storage solution. Also, revise Rider 2, Capital Budget, and Special Provisions Section 9, System Support Services. <i>Note: System Exceptional Item. Includes General Revenue requested on behalf of DFPS and DSHS, which will be reallocated to the agencies as appropriate if adopted.</i>	\$ 3,104,482	\$ 5,406,153						

Article II, Health and Human Services Health and Human Services Commission (529) Items Not Included in Bill as Introduced		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
		Items Not Included in HB 1 <u>2022-23 Biennial Total</u>		Pended Items <u>2022-23 Biennial Total</u>		Adopted <u>2022-23 Biennial Total</u>		Article XI <u>2022-23 Biennial Total</u>	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
	e. Winters Data Center Environment Protection Services.	\$ 755,896	\$ 1,500,000						
	Funding would support a contract with a professional facility service company or expansion of the current contract with the Texas Facilities Commission (TFC) to provide core facility-related services for the Winters Data Center. Services would include: fire protection; power; cooling and heating ventilation and air conditioning; preventative maintenance; and 24x7 monitoring and onsite repair.								
	Also, revise Special Provisions Section 9, System Support Services.								
	<i>Note: System Exceptional Item. Includes General Revenue requested on behalf of DFPS and DSHS, which will be reallocated to the agencies as appropriate if adopted.</i>								
	8. Intellectual and Developmental Disability (IDD) System Redesign.								
	a. Provide Resources and Technology Changes Necessary to Implement STAR+PLUS Pilot Program (2.0/14.0 FTEs)	\$ 5,041,340	\$ 19,556,541					\$ 5,041,340	\$ 19,556,541
	Funding would provide infrastructure and resources necessary to implement the STAR+PLUS Pilot Program to test the delivery of long-term services and supports (LTSS) for individuals with intellectual and developmental disabilities (IDD) in managed care.								
	Also, revise Special Provisions Section 9, System Support Services.								
	<i>Note: System Exceptional Item. Includes General Revenue requested on behalf of DFPS and DSHS, which will be reallocated to the agencies as appropriate if adopted.</i>								

Article II, Health and Human Services Health and Human Services Commission (529) Items Not Included in Bill as Introduced		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
		Items Not Included in HB 1		Pended Items		Adopted		Article XI	
		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
	b. IDD Systems Migration. (15.2/15.2 FTEs) Funding would support technology enhancements for IDD providers, Local IDD Authorities (LIDDAs), and service coordinators. Also, revise Special Provisions Section 9, System Support Services.	\$ 3,404,293	\$ 32,142,130					\$ 3,404,293	\$ 32,142,130
	9. Transition Day Habilitation Services to Individualized Skills and Socialization (ISS).								
	a. Provide ISS Client Services. (0.0/6.0 FTEs) Funding would support client services costs associated with transitioning day habilitation services in the HCS, TxHmL, and DBMD waivers to ISS in order to comply with federal requirements related to engagement in community life, integrated work environments, and control of personal resources.	\$ 35,252,954	\$ 90,484,201			\$ 35,252,954	\$ 90,484,201		
	b. Create ISS Registry and Provide Monitoring and Oversight. (0.0/18.0 FTEs) Funding would provide for creation of a registry of ISS providers. Funding would also support additional FTEs to provide monitoring and oversight of ISS providers and services. <i>Note: System Exceptional Item. Includes General Revenue requested on behalf of DFPS and DSHS, which will be reallocated to the agencies as appropriate if adopted.</i>	\$ 873,227	\$ 1,696,683			\$ 873,227	\$ 1,696,683		

Article II, Health and Human Services Health and Human Services Commission (529) Items Not Included in Bill as Introduced		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
		Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
10.	Restore Reductions for Certain IT Projects. (4.1/4.1 FTEs) Funding would restore reductions for the Performance Management and Analytics System and replace lost Federal Funds for Medicaid Enterprise Data Governance. Also, revise Rider 2, Capital Budget, and Special Provisions Section 9, System Support Services. <i>Note: System Exceptional Item. Includes General Revenue requested on behalf of DFPS and DSHS, which will be reallocated to the agencies as appropriate if adopted.</i>	\$ 9,710,742	\$ 12,548,116						
11.	State Hospital Construction and Expanded Operations.								
a.	Staff and Operations (260.0/260.0 FTEs). Provide \$29.3 million in General Revenue and 260.0 FTEs to staff 70 new maximum security beds at Kerrville State Hospital, and \$52.1 million in General Revenue to contract with UT Health Science Center - Houston for a portion of the beds at the new inpatient facility in Harris County.	\$ 81,360,250	\$ 81,360,250					\$ 81,360,250	\$ 81,360,250
b.	Complete Construction Projects. Funding would provide \$124.1 million in General Revenue to finish construction of a replacement campus at Austin State Hospital and \$152.4 million in General Revenue to finish construction of a replacement campus at San Antonio State Hospital. Also, revise Rider 2, Capital Budget.	\$ 276,500,000	\$ 276,500,000						

		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
Article II, Health and Human Services Health and Human Services Commission (529) Items Not Included in Bill as Introduced		Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
c. Begin New Construction Projects.		\$ 106,500,000	\$ 106,500,000						
Provide funding to begin pre-planning and planning efforts to build new inpatient hospitals in the Dallas area (\$44.8 million in General Revenue) and Panhandle region (\$19.8 million in General Revenue), and to begin pre-planning and planning efforts for the replacement of North Texas - Wichita Falls State Hospital (\$21.0 million in General Revenue) and Terrell State Hospital (\$21.0 million in General Revenue).									
If funded, HHSC would also need additional FTEs. Estimate TBD.									
12. Facility Repairs and Equipment Replacement at State Supported Living Centers (SSLCs) and State Hospitals.									
a. Deferred Maintenance. (4.1 / 4.1 FTEs)		\$ 47,839,632	\$ 94,756,641						
Funding would address deferred maintenance needs at the state-owned facilities, including: repairs and renovations for fire, electrical and plumbing systems; anti-ligature remediation; and roofing. Funding would provide the following FTEs: Project Manager (4.0) and Program Specialist (0.1).									
Also, revise Rider 2, Capital Budget.									
Note: Includes \$46.9 million in MLPP Revenue Bond Proceeds. HHSC would need additional General Revenue to pay for associated debt service if this method-of-finance is adopted.									

Article II, Health and Human Services Health and Human Services Commission (529) Items Not Included in Bill as Introduced		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
		Items Not Included in HB 1		Pended Items		Adopted		Article XI	
		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>		<u>2022-23 Biennial Total</u>	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
	b. Laundry Equipment Replacement. Funding would provide for replacement of one continuous batch washing system, two dryers, and additional commercial laundry equipment and transport trailers. Also, revise Rider 2, Capital Budget.	\$ 1,973,500	\$ 1,973,500						
	c. Vehicle Replacement. Funding would replace 197 vehicles. Also, revise Rider 2, Capital Budget.	\$ 7,850,000	\$ 7,850,000						
	d. IT Infrastructure. Funding would provide for fiber and cabling projects. Also, revise Rider 2, Capital Budget.	\$ 3,106,672	\$ 3,106,672						
13.	Stabilize E-Discovery. Funding would provide for a digital management system to address litigation, public information requests, investigations, and E-Discovery. Also, revise Rider 2, Capital Budget, and Special Provisions Section 9, System Support Services. <i>Note: System Exceptional Item. Includes General Revenue requested on behalf of DFPS and DSHS, which will be reallocated to the agencies as appropriate if adopted.</i>	\$ 4,853,581	\$ 7,150,000						
14.	Address Long-term Care Regulatory Backlog.								

Article II, Health and Human Services Health and Human Services Commission (529) Items Not Included in Bill as Introduced		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
		Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
	a. Additional Staff. (31.7/31.7) Funding would provide for additional staff to address a backlog of surveys and intakes in long-term care facilities.	\$ 5,280,363	\$ 5,280,363					\$ -	\$ 5,280,363
								*Sub-committee Priority	
	b. Automate Survey Scheduling. (1.0/1.0 FTEs) Funding would provide for automation of the survey scheduling function within a workload management system. Also, revise Rider 2, Capital Budget.	\$ 933,750	\$ 1,029,946						
	c. Restore Five Percent Reduction - Enforcement and Surveyor Staffing and Travel. Funding would restore certain five percent reductions related to long-term care regulation.	\$ 1,725,086	\$ 2,093,722					\$ 1,725,086	\$ 2,093,722
	d. Restore Five Percent Reduction - Data, Complaint and Incident Intake, and Trust Fund Monitoring. Funding would restore certain five percent reductions related to long-term care regulation and child care licensing.	\$ 2,865,356	\$ 3,283,024					\$ 2,865,356	\$ 3,283,024
	e. Position Reclassification and Salary Increases. Funding would provide for reclassification of 13.0 FTE positions to Investigator VII. Funding would also provide salary increases for 264.0 nurses.	\$ 12,340,423	\$ 12,340,423					\$ 12,340,423	\$ 12,340,423
	f. Contracted Staff. Funding would provide for contracted staff to address a backlog of long-term care surveys and intakes.	\$ 5,000,000	\$ 5,000,000					\$ 5,000,000	\$ 5,000,000

Article II, Health and Human Services Health and Human Services Commission (529) Items Not Included in Bill as Introduced		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
		Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
		GR & GR-Dedicated		GR & GR-Dedicated		GR & GR-Dedicated		GR & GR-Dedicated	
		All Funds		All Funds		All Funds		All Funds	
15.	Migrate the Accounts Receivable Tracking System (ARTS) to CAPPs Financials. (0.2/0.3 FTEs) Funding would support the migration of ARTS to CAPPs Financials. Also, revise Rider 2, Capital Budget, and Special Provisions Section 9, System Support Services. <i>Note: System Exceptional Item. Includes General Revenue requested on behalf of DFPS and DSHS, which will be reallocated to the agencies as appropriate if adopted.</i>	\$ 5,843,542	\$ 9,579,401						
16.	Facility Support Services. Funding would restore facility program support services to the agency's requested All Funds levels. HB 1 includes \$21.9 million in All Funds to maintain fiscal year 2021 appropriated levels in each fiscal year of the 2022-23 biennium.	\$ 6,087,150	\$ 6,087,150					\$ 6,087,150	\$ 6,087,150
17.	Article II Assessment Costs. Funding would support provision of administrative and support services to DFPS and DSHS. Also, revise Special Provisions Section 9, System Support Services. <i>Note: System Exceptional Item. Includes General Revenue requested on behalf of DFPS and DSHS, which will be reallocated to the agencies as appropriate if adopted.</i>	\$ 35,294,673	\$ 35,294,673					\$ 35,294,673	\$ 35,294,673
Office of Inspector General (OIG) Exceptional Items									

Article II, Health and Human Services Health and Human Services Commission (529) Items Not Included in Bill as Introduced		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
		Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
18.	<i>OIG Priority 1:</i> Replace Lost Federal Funds for Clinical Staff. Funding would replace Federal Funds previously received for clinical staff.	\$ 1,952,790	\$ 4,881,974					\$ 1,952,790	\$ 4,881,974
								*Sub-committee Priority	
19.	<i>OIG Priority 2:</i> Access to The Work Number (TWN). Funding would provide the Beneficiary Program Integrity team access to Equifax's The Work Number for employment verification and income information.	\$ 251,730	\$ 500,000			\$ 251,730	\$ 500,000		
<u>Texas Civil Commitment Office (TCCO) Exceptional Items</u>									
20.	<i>TCCO Priority 1:</i> Caseload Growth and Housing Rate Increase. Funding would support projected caseload growth from 439 in fiscal year 2021 to 475 in fiscal year 2022 and 507 in fiscal year 2023. Funding would also provide for a 2.0 percent increase in the per diem rate each fiscal year.	\$ 3,155,832	\$ 3,155,832			\$ 3,155,832	\$ 3,155,832		
21.	<i>TCCO Priority 2:</i> Offsite Healthcare. Funding would support offsite medical care for sexually violence predators above the \$25,000 offsite costs covered under the current contract for the Texas Civil Commitment Center. HB 1 includes \$0.8 million in General Revenue for this purpose.	\$ 713,424	\$ 713,424					\$ 713,424	\$ 713,424
22.	<i>TCCO Priority 3:</i> Case Manager Career Ladder. Funding would support continuation of the career ladder for Case Managers based on classification and years of services with TCCO as required by Government Code, Sec. 420A.009.	\$ 68,688	\$ 68,688			\$ 68,688	\$ 68,688		

Article II, Health and Human Services Health and Human Services Commission (529) Items Not Included in Bill as Introduced		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
		Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
23.	TCCO Priority 4: Contracted Professional Audit Services. Funding would provide for a contract with an audit firm to perform the duties of an internal auditor.	\$ 50,000	\$ 50,000					\$ 50,000	\$ 50,000
24.	TCCO Priority 5: Additional Case Managers. (2.0/2.0 FTEs) Funding would provide for additional case managers and expand case manager coverage to other areas of the state.	\$ 215,543	\$ 215,543					\$ 215,543	\$ 215,543
Agency Rider Requests:									
	MEDICAID								
1.	Reinstate former Rider 6, Hospital Reimbursement.					Adopt			
2.	Delete Rider 4, Hospital Uncompensated Care.					Adopt			
3.	Amend Rider 11, Medicaid Therapy Services Reporting, to require report to be submitted biannually instead of quarterly.					Adopt			
4.	Amend Rider 16, Supplemental Payment Programs Reporting and Appropriation Authority for Intergovernmental Transfers, to: - update the list of programs included in the report, - add or update other reporting requirements, - provide additional FTE authority at HHSC to implement the extension of the Healthcare Transformation and Quality Improvement 1115 Waiver, and - permit HHSC to create a new capital budget item out of existing appropriations to support monitoring of local funds used in the Medicaid program.					Adopt			
5.	Delete Rider 17, Rural Labor and Delivery Medicaid Add-on Payment.					Adopt			
6.	Delete Rider 23, Improving Access to Pediatric Services.								
	WOMEN'S HEALTH								
7.	Amend Rider 40, Women's Health Programs: Savings and Performance Reporting, to change certain reporting requirements.					Adopt			
	OTHER CLIENT SERVICES								

		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
Article II, Health and Human Services Health and Human Services Commission (529) Items Not Included in Bill as Introduced		Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
8.	Amend Rider 45, Education Funding, to require HHSC to enter into an interagency contract with the Texas Education Agency instead of a Memorandum of Understanding.					Adopt			
9.	Amend Rider 47, Reporting on Early Childhood Intervention, to change report due date to March 1.								
10.	Amend Rider 53, Funding for Child Advocacy Centers Programs and Court Appointed Special Advocate Programs, to change report due date to December 1.					Adopt			
11.	Amend Rider 56, Reporting on Population Served, to remove certain reporting requirements for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) program.					Adopt			
12.	Add new Rider X, Independent Living Services Review, to require an annual report and one-time study on independent living services.					Adopt			
FACILITIES									
13.	Amend Rider 67, State-Owned Housing, to update the listing of positions.					Adopt			
OFFICE OF INSPECTOR GENERAL									
14.	Add new Rider X, Unexpended Balances: Office of Inspector General, to allow for transfer of unexpended balances within the biennium in Strategies K.1.1, Office of Inspector General, and K.1.2, OIG Administrative Support.								
TRANSFERS									
15.	Add new Rider X, Unexpended Balances: Intellectual and Developmental Disabilities Crisis Funding, to allow for transfer of unexpended balances within the biennium for Intellectual and Developmental Disabilities crisis funding.								
ADMINISTRATION									
16.	Amend Rider 100, Reimbursement of Advisory Committee Members, to add the Chronic Kidney Disease Task Force.					Adopt			

		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
Article II, Health and Human Services Health and Human Services Commission (529) Items Not Included in Bill as Introduced		Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
17.	Add new Rider X, Staffing in Lieu of Contracted Responsibilities, to provide HHSC with certain FTE authority.					Adopt			
Subcommittee Revisions and Additions:									
1.	Delete Rider 22, Managed Care Organization Performance Requirement to Ensure Best Value.					Adopt			
2.	Reduce Medicaid funding.					\$ (2,000,000,000)	\$ (5,117,056,681)		
Total, Outstanding Items / Tentative Decisions		\$ 2,408,048,051	\$ 4,308,618,425	\$ -	\$ -	\$ (1,893,362,837)	\$ (4,878,724,087)	\$1,738,722,017	\$3,176,656,897
		FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023
Total, Full-time Equivalents / Tentative Decisions		544.8	592.1	0.0	0.0	141.9	169.0	367.3	387.4

Article II, Health and Human Services Special Provision Related to All Health and Human Services Agencies Items Not Included in Bill as Introduced	Outstanding Items for Consideration				Tentative Subcommittee Decisions			
	Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
Agency Requests:								
1. Section 6, Limitation on Transfer Authority: HHSC request to allow transfers between all health and human services agencies.	\$ -	\$ -						
2. Section 9, System Support Services: DSHS request to change the method-of-finance to All Funds to allow flexibility in funds used to pay for system support services. DFPS request to reflect an amended appropriated All Funds for system support services instead of the assessed amount. HHSC request to change method-of-finance to All Funds and to remove authority to request to transfer certain appropriations.	\$ -	\$ -			Adopt as Amended			
3. Section 11, Appropriation of Receipts: Damages and Penalties: HHSC request to expand the sources of revenue which count towards the Office of Inspector General's (OIG) contingent appropriation and to remove authority for OIG to retain collection in excess of appropriations.	\$ -	\$ -			Adopt as Amended			
4. Section 12, Rate Limitations and Reporting Requirements: HHSC request to change the scope of the information the agency is required to provide to the Legislative Budget Board regarding managed care rates.	\$ -	\$ -						

		Outstanding Items for Consideration				Tentative Subcommittee Decisions			
Article II, Health and Human Services Special Provision Related to All Health and Human Services Agencies Items Not Included in Bill as Introduced		Items Not Included in HB 1 2022-23 Biennial Total		Pended Items 2022-23 Biennial Total		Adopted 2022-23 Biennial Total		Article XI 2022-23 Biennial Total	
		GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds	GR & GR-Dedicated	All Funds
5.	Section 14, Limitation: Expenditure and Transfer of Public Health Medicaid Reimbursements: DSHS request to decrease the amount of Public Health Medicaid Reimbursements appropriated to HHSC and to prioritize distribution of funds to the DSHS Laboratory.	\$ -	\$ -			Adopt			
6.	New Section, Unexpended Balance Authority for Certain Funds Supporting Capital Projects: HHSC request to provide DFPS and DSHS unexpended balance authority for funds related to system capital budget projects.	\$ -	\$ -					Adopt	
Total, Outstanding Items / Tentative Decisions		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023
Total, Full-time Equivalents / Tentative Decisions		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

By: _____

Department of Family and Protective Services
Proposed Rider
Limitation on Transfers: Foster Care, Adoption Subsidy, Permanency Care Assistance,
and Relative Caregiver Payments.

Prepared by LBB Staff, 03/11/2021

Overview

Agency request to amend rider to require notification instead of written approval for transfers into or out of the foster care, adoption subsidy, permanency care assistance and relative caregiver strategies.

Required Action

On page II-6 of the Department of Family and Protective Services bill pattern, amend the following rider:

5. **Limitation on Transfers: Foster Care, Adoption Subsidy, Permanency Care Assistance, and Relative Caregiver Payments.** Notwithstanding Article IX, Sec. 14.0 Appropriation Transfers and Article IX, Sec. 14.03, Transfers - Capital Budget in this Act, the Department of Family and Protective Services may only transfer funds into or out of Strategies B.1.9, Foster Care Payments; B.1.10, Adoption/PCA Payments; or B.1.11, Relative Caregiver Payments, with ~~the prior written approval of~~ notification to the Legislative Budget Board and the Governor 60 days prior to the transfer. The Legislative Budget Board and the Governor may disapprove the transfer during the 60-day period.

By: _____

Department of Family and Protective Services
Proposed Rider
Other Reporting Requirements.

Prepared by LBB Staff, 03/11/2021

Overview

Agency request to submit quarterly reports within 60 days of the end of the fiscal quarter instead of 30 days.

Required Action

On page II-6 of the Department of Family and Protective Services bill pattern, amend the following rider:

6. Other Reporting Requirements.

- a. **Monthly Financial Reports.** DFPS shall submit the following information to the Legislative Budget Board and the Governor no later than 30 calendar days after the close of each month:
 - (1) Information on appropriated, budgeted, expended, and projected funds, by strategy and method of finance.
 - (2) A report detailing revenues, expenditures, and balances for earned federal funds as of the last day of the prior month.
 - (3) Narrative explanations of significant budget adjustments, ongoing budget issues, and other items as appropriate.
 - (4) A report providing a breakdown of the budgeted versus actual Child Protective Services Direct Delivery Full-time Equivalents (FTE) by case stage and by region.
 - (5) Select Child Protective Services performance measures continued from the fiscal year 2017 critical needs reports, as determined by the Legislative Budget Board.
 - (6) Any other information requested by the Legislative Budget Board or the Governor.

The monthly financial reports shall be prepared in a format specified by the Legislative Budget Board.

- b. **Quarterly Updates.** DFPS shall submit the following information to the Legislative Budget Board and the Governor on a quarterly basis for each month in fiscal years 2019 through 2023: program expenditures and projected expenditures by method of finance and performance measure targets for Strategies A.1.1, Statewide Intake Services; B.1.1, CPS Direct Delivery Staff; B.1.3, TWC Contracted Day Care; B.1.9, Foster Care Payments; B.1.10, Adoption Subsidy/PCA Payments; B.1.11, Relative Caregiver Payments; and D.1.1, APS Direct Delivery Staff. DFPS shall also submit data used to calculate the performance measure actuals for Strategies A.1.1, Statewide Intake Services; B.1.1, CPS Direct Delivery Staff; and D.1.1, APS Direct Delivery Staff, as well as other statewide intake data related to call abandonment. The reports shall be submitted within ~~39~~60 days of the end of each fiscal quarter in a format specified by the Legislative Budget Board.

- c. **Litigation Involving Child Welfare Services Providers.** DFPS shall notify the Legislative Budget Board and the Governor in a timely manner about any pending litigation against DFPS or against any entity providing child welfare services under contract with DFPS, and

the subject matter of the litigation.

- d. **Monthly Data and Forecasts.** DFPS shall submit actual and projected caseloads and related expenditure amounts to the Legislative Budget Board and the Governor, for foster care, adoption assistance, permanency care assistance, relative caregiver, community-based care, and day care. Data for other programs shall be submitted upon request of the Legislative Budget Board or the Governor. The data shall be submitted the Legislative Budget Board. At the request of the Legislative Budget Board or the Governor supporting documentation detailing the sources and methodologies utilized to develop any caseload or expenditure projections and any other supporting material must be provided.

By: _____

Department of Family and Protective Services
Proposed Rider
Limitation on Expenditures for Texas Workforce Commission (TWC) Contracted Day Care.

Prepared by LBB Staff, 03/11/2021

Overview

Agency request to require written notification instead of written approval for transfers into or out of the day care strategy.

Required Action

On page II-8 of the Department of Family and Protective Services bill pattern, amend the following rider:

7. Limitation on Expenditures for Texas Workforce Commission (TWC) Contracted Day Care.

(a) Notwithstanding Article IX, Sec. 14.01, Appropriation Transfers and Article IX, Sec. 14.03, Transfers - Capital Budget in this Act, the Department of Family and Protective Services (DFPS) may not transfer funds into or out of Strategy B.1.3, TWC Contracted Day Care, without the prior ~~written approval of~~ notification to the Legislative Budget Board and the Governor 60 days prior to the transfer. The Legislative Budget Board and the Governor may disapprove the transfer during the 60-day period.

~~To request approval,~~ DFPS shall submit a written request-notification to the Legislative Budget Board and the Governor 60 days prior to the transfer. The Legislative Budget Board and the Governor may disapprove the transfer during the 60-day period. A request notification to transfer funds into Strategy B.1.3, TWC Contracted Day Care, must be submitted within 30 days of the date upon which DFPS produces a forecast indicating a need for additional funds and determines they are unable to operate within available appropriations. ~~A request~~ notification to transfer funds into Strategy B.1.3, TWC Contracted Day Care, must also be submitted at least 90 days prior to when expenditures are expected to exceed available appropriations. ~~A request~~ notification must include the following information:

- (1) a detailed explanation of the need for day care services and the steps that have been taken to address the need without exceeding the amounts appropriated above;
- (2) the sub-strategies affected by the increase in expenditures; and
- (3) the method of financing and impact on performance levels by fiscal year, including a comparison to performance targets included in this Act.

No expenditure in excess of appropriations made above in Strategy B.1.3, TWC Contracted Day Care, may be made until ~~approved~~ the notification has been made to. ~~A request shall be considered disapproved unless the Legislative Budget Board and the Governor 60 days prior to the transfer. The Legislative Budget Board and the Governor may disapprove the transfer during the 60-day period~~ issue a written approval within 30 business days of the date on which the staff of the Legislative Budget Board concludes its review of the request and forwards the review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 30 business days.

(b) Funds appropriated above in Strategy B.1.3, TWC Contracted Day Care, may be used only to acquire child day care services through TWC.

Expenditures for administrative overhead payments to TWC and local workforce boards in connection with any agreement to provide child day care services shall not exceed 5.0 percent of all amounts paid for child day care services out of funds appropriated above in Strategy B.1.3, TWC Contracted Day Care.

By: _____

Department of Family and Protective Services
Proposed Rider
Limitation on Transfers: CPS and APS Direct Delivery Staff.

Prepared by LBB Staff, 03/11/2021

Overview

Agency request to require written notification instead of written approval for transfers into or out of direct delivery strategies.

Required Action

On page II-9 of the Department of Family and Protective Services bill pattern, amend the following rider:

10. Limitation on Transfers: CPS and APS Direct Delivery Staff.

a. **Funding.** Notwithstanding Article IX, Sec. 14.01, Appropriation Transfers, and Article IX, Sec. 14.03, Transfers - Capital Budget, in this Act, the Department of Family and Protective Services (DFPS) shall not transfer funds into or out of Strategy B.1.1, CPS Direct Delivery Staff, or Strategy D.1.1, APS Direct Delivery Staff, without the prior written ~~approval of~~ notification to the Legislative Budget Board and the Governor 60 days prior to the transfer. The Legislative Budget Board and the Governor may disapprove the transfer during the 60-day period.

b. **Full-time-equivalent (FTE) Positions.** Out of the FTE positions identified above for DFPS, 10,105 positions for each fiscal year are allocated to Strategy B.1.1, CPS Direct Delivery Staff, and 802.8 positions for each fiscal year are allocated to the Strategy D.1.1, APS Direct Delivery Staff.

None of the FTEs allocated by this rider to ~~DFPS~~, may be transferred to any other item of appropriation or utilized for any purpose other than the specific purpose for which the FTEs are allocated without the prior written ~~approval of~~ notification to the Legislative Budget Board and the Governor 60 days prior to the transfer. The Legislative Budget Board and the Governor may disapprove the transfer during the 60-day period.

c. ~~Limitations~~ **Notification on Transfers: Request for Approval.** ~~To request approval for~~ For the transfer of funds and/or FTEs, DFPS shall submit at least 60 days prior to when the funds or FTEs are intended to be expended or reallocated for a different purpose a written request notification to the Legislative Budget Board and the Governor 60 days prior to the transfer that includes the following information:

- (1) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
- (2) the name of the strategy or strategies affected by the transfer, and the method of finance and FTEs for each program by fiscal year;
- (3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving programs; and

(4) the capital budget impact.

The Legislative Budget Board and the Governor may disapprove the transfer during the 60-day period. Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner.

~~The transfer request shall be considered to be disapproved unless the Legislative Budget Board and the Governor issue written approvals within 30 business days of the date on which the staff of the Legislative Budget Board concludes its review of the request and forwards the review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 30 business days.~~

~~The Comptroller of Public Accounts shall not allow the transfer of funds if the Legislative Budget Board provides notification to the Comptroller that the requirements of this provision have not been satisfied.~~

By: _____

Department of Family and Protective Services
Proposed Rider
Medicaid and Title IV-E Federal Funds.

Prepared by LBB Staff, 03/11/2021

Overview

Agency request to require written notification instead of written approval to expend General Revenue and TANF federal funds freed up by increased federal entitlement funds.

Required Action

On page II-10 of the Department of Family and Protective Services bill pattern, amend the following rider:

11. **Medicaid and Title IV-E Federal Funds.** The Department of Family and Protective Services (DFPS) shall maximize the use of federal entitlement funds from Medicaid and Title IV-E for child and adult protective services direct delivery staff and program support.

In the event that federal entitlement funds exceed the amounts appropriated above in Strategies B.1.1, CPS Direct Delivery Staff; B.1.2, CPS Program Support; D.1.1, APS Direct Delivery Staff; and D.1.2, APS Program Support, DFPS may expend General Revenue Funds and TANF Federal Funds thereby made available only with the prior written ~~approval~~ notification of the Legislative Budget Board and the Governor 60 days prior to the transfer. The Legislative Budget Board and the Governor may disapprove during the 60-day period.

The Comptroller of Public Accounts shall not allow the expenditure of funds if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

By: _____

Department of Family and Protective Services
Proposed Rider
Limitations: Community-based Care Payments.

Prepared by LBB Staff, 03/11/2021

Overview

Agency’s request to require written notification instead of written approval for transfers into the direct delivery staff strategy and request to report actual expenditures within 60 days of the end of the fiscal quarter instead of 30 days.

Required Action

On page II-16 of the Department of Family and Protective Services bill pattern, amend the following rider:

27. **Limitations: Community-based Care Payments.** (a) Included in amounts appropriated above is \$225,410,587 in All Funds (\$163,525,823 in General Revenue Funds) in fiscal year 2022 and \$225,193,752 in All Funds (\$163,330,945 in General Revenue Funds) in fiscal year 2023 in Strategy B.1.1, CPS Direct Delivery Staff, for resource transfers, Stage II network support payments, and Child and Adolescent Needs and Strengths (CANS) assessments and Strategy B.1.9, Foster Care Payments, for Stage I network support payments and foster care payments for Community-based Care (CBC) in Stages I and II in Regions 3B and, 2, and Stage I in Regions 8A and, 1 as authorized by Family Code, Chapter 264.

(b) Included in amounts identified in subsection (a) is \$57,538,932 in All Funds (\$53,299,009 in General Revenue Funds) in fiscal year 2022 and \$57,538,932 in All Funds (\$53,299,009 in General Revenue Funds) in fiscal year 2023 in Strategy B.1.1, CPS Direct Delivery Staff, which DFPS may not exceed or expend for any purpose ~~not~~ identified in subsections

(a) without the prior written ~~approval~~ notification of the Legislative Budget Board and the Governor 60 days prior to the expenditure. The Legislative Budget Board and the Governor may disapprove the transfer during the 60-day period.

(c) DFPS shall continue the use of an independent evaluation to complete process and outcome evaluations throughout the entire rollout and implementation of CBC in each established catchment area. All evaluations shall be provided to the Legislative Budget Board, the Governor, the House Committee on Appropriations, the Senate Committee on Finance, the House Committee on Human Services, and the Senate Committee on Health and Human Services.

DFPS shall report actual expenditures for each region by strategy, stage, purpose, and method of finance within ~~30-60~~ 60 days after the end of each fiscal quarter to the Legislative Budget Board and the Governor.

By: _____

Department of Family and Protective Services
Proposed Rider
Purchased Client Services Reporting and Limitations.

Prepared by LBB Staff, 03/11/2021

Overview

Agency request to change the report due date from November 1 to January 1 and request to require written notification instead of written approval for transfers into or out of the purchased client services strategies.

Required Action

On page II-20 of the Department of Family and Protective Services bill pattern, amend the following rider:

31. Purchased Client Services Reporting and Limitations.

(a) The Department of Family and Protective Services (DFPS) shall report to the Legislative Budget Board and the Governor on purchased client services provided to children and families in Strategies B.1.4, Adoption Purchased Services; B.1.5, Post-Adoption/Post-Permanency; B.1.6, PAL Purchased Services; B.1.7, Substance Abuse Purchased Services; and B.1.8, Other CPS Purchased Services, for the prior fiscal year by ~~November~~ January 1 of each year. The report shall include the following:

- (1) The number of children and/or adults receiving services in each strategy by month;
- (2) A distribution of expenditures and number served by type of service; and
- (3) The total number and cost of services that were court-ordered by strategy.

(b) Notwithstanding Article IX, Section 14.01, Appropriation Transfers, DFPS may not transfer funds into or out of Strategies B.1.4, Adoption Purchased Services; B.1.5, Post-Adoption/Post-Permanency; B.1.6, PAL Purchased Services; B.1.7, Substance Abuse Purchased Services; and B.1.8, Other CPS Purchased Services, without the prior written ~~approval~~ notification of the Legislative Budget Board and the Governor 60 days prior to the transfer. The Legislative Budget Board and the Governor may disapprove the transfer during the 60-day period.

~~To request approval, DFPS shall submit a written request~~ request notification to the Legislative Budget Board and Governor. ~~A request~~ The notification to transfer funds pursuant to this subsection must be submitted (1) within 30 days of the date upon which DFPS determines they are unable to operate within available appropriations and (2) at least 90 days prior to when expenditures are expected to exceed available appropriations. The ~~request~~ notification must include a detailed explanation of the need for services and the steps that have been taken to address the need without exceeding appropriations.

~~No expenditure in excess of appropriations may be made unless approved. A request shall be considered disapproved unless the Legislative Budget Board and the Governor issue a written approval within 30 business days of the date on which the staff of the Legislative Budget Board concludes its review of the request and forwards the review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional info made by the Legislative Budget Board shall interrupt the counting of the 30 days.~~

By: _____

Department of Family and Protective Services
Proposed Rider
Community-based Care Oversight Staff.

Prepared by LBB Staff, 03/11/2021

Overview

Agency’s request to update strategy reference.

Required Action

On page II-22 of the Department of Family and Protective Services bill pattern, amend the following rider:

- 36. **Community-based Care Oversight Staff.** Included in amounts appropriated above for the Department of Family and Protective Services in Strategies B.1.1, CPS Direct Delivery Staff, E.1.2, Other Support Services, and E.1.3, Regional Administration, is \$2,713,877 in All Funds (\$2,447,433 in General Revenue) in each fiscal year and included in the "Number of Full-time Equivalents" (FTEs) is 31.0 FTEs in each fiscal year for case management oversight staff in Regions 2 and 3B, a background check unit, and information technology technical support staff to assist in the oversight of Community-based Care.

By: _____

Department of Family and Protective Services
Proposed Rider
Community-based Care Stage III Incentives and Payments.

Prepared by LBB Staff, 03/11/2021

Overview

Agency request for new rider to authorize DFPS to award incentives and issue financial remedies related to provider performance.

Required Action

On page II-23 of the Department of Family and Protective Services bill pattern, add the following rider:

38. Community-based Care Stage III Incentives and Payments.

(a) Out of the funds appropriated above in Strategy B.1.9, Foster Care Payments, and in accordance with Texas Family Code §264.155(6)(B), DFPS is authorized in Stage III of the Community-Based Care (CBC) model to expend general revenue funds to make financial incentive payments to Single Source Continuum Contractors (SSCCs) exceeding performance measures established in the SSCC contract. Any incentives will be limited to the General Revenue portion of savings in foster care payments achieved by the SSCCs.

(b) DFPS is appropriated in Strategy B.1.9, Foster Care Payments, any revenue from financial penalties collected from SSCC in accordance with Texas Family Code §264.155(6)(A) for failure to meet specified performance outcomes. Penalties collected are limited to use in Strategy B.1.9, Foster Care Payments.

By: _____

Department of Family and Protective Services
Proposed Rider and Funding
Family First Prevention Services Act

Prepared by LBB Staff, 03/22/2021

Overview

Provide direction to the Department of Family and Protective Service on how the Family First Transition Act federal funds shall be used to help come into compliance with the Family First Prevention Services Act.

Required Action

- 1) On page II-XX of the Department of Family and Protective Services bill pattern, add the following rider.

_____. **Family First Preventions Services Act.** It is the intent of the legislature that the Department of Family and Protective Services (DHPS) shall use the Family First Transition Act federal funds to implement the following programs in an effort to come into compliance with the federal Family First Prevention Services Act (FFPSA):

- (1) Build Family-based Safety Services (FBSS) capacity for FFPSA approved preventions services;
- (2) Study the coordination of FBSS services in Community-based Care;
- (3) Pilot FFPSA prevention service coordination through Prevention and Early Intervention community grants;
- (4) Expand the Helping through Intervention and Prevention (HIP) services for pregnant and parenting foster youth;
- (5) Expand capacity for FFPSA prevention in-home parenting programs; and
- (6) Purchase evidence-based prevention services model for families in FBSS in rural regions of the state.

By: _____

Department of State Health Services
Proposed Rider
Permanent Hospital Fund

Prepared by LBB Staff, 3/22/2021

Overview

Amend Rider 20, Permanent Hospital Fund, to align with BRE revenue projections.

Required Action

On page II-35 of the Department of State Health Services bill pattern, amend the following rider:

20. **Permanent Hospital Fund.** Included in amounts appropriated above, in Strategy A.2.5, TX Center for Infectious Disease, is an estimated ~~\$859,729~~ \$873,000 in fiscal year 2022 and ~~\$865,294~~ \$893,000 in fiscal year 2023 in General Revenue - Dedicated Permanent Hospital Fund for Capital Improvements and the Texas Center for Infectious Disease from the available earnings of the fund for the purpose of implementing Government Code §403.1066.

In no event may administrative costs exceed 3 percent of the appropriations from General Revenue - Dedicated Permanent Hospital Fund for Capital Improvements and the Texas Center for Infectious Disease Account No. 5048.

Available earnings in excess of the amounts estimated above are appropriated to the Department of State Health Services (DSHS). In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to make up the difference.

Any unexpended balances remaining as of August 31, 2022, from the appropriations made by this Rider are appropriated for the fiscal year beginning September 1, 2022, for the same purpose, subject to DSHS notifying the Legislative Budget Board and the Governor in writing at least 30 days prior to budgeting and expending these balances.

Department of State Health Services, Article II
Proposed Rider
Appropriation: Contingent Revenue

Prepared by LBB Staff, 3/22/2021

Overview

Add language to Rider 7, Appropriation: Contingent Revenue, to reduce General Revenue if revenue from General Revenue-Dedicated Account No. 524, Public Health Services Fees, exceeds the Biennial Revenue Estimate.

Required Action

On page II-31 of the DSHS bill pattern, amend the following rider:

7. **Appropriation: Contingent Revenue.** The Department of State Health Services (DSHS) is appropriated for the purposes identified below any additional revenue generated by DSHS above the amounts identified in fiscal year 2022 or fiscal year 2023 in the Comptroller of Public Account's Biennial Revenue Estimate (BRE) for each of the accounts or revenue object identified below. An appropriation from an account or revenue object shall be made available to DSHS once certified by a Comptroller's finding of fact that the amount in the BRE for the account or revenue object for the given fiscal year has been exceeded. An appropriation is limited to revenue generated in fiscal year 2022 or fiscal year 2023 and does not include any balances that have accrued in the account or revenue object code.

By March 1st of each year, DSHS may notify the Comptroller of Public Accounts, the Legislative Budget Board, and the Governor of the amount that DSHS projects will be received in excess of the amounts contained in the BRE for each of the accounts listed below, along with sufficient information to reflect how the estimate was determined. If the Comptroller finds the information sufficient to support the projection of additional revenue, a finding of fact to that effect shall be issued to reflect the additional revenue available for each account.

- a. Account No. 341, Food and Drug Retail Fees, for restaurant inspections.
- b. Revenue Object 3175, Account No. 5017, Asbestos Removal Licensure, for asbestos inspections and regulatory activities.
- c. Account No. 5021, Certification of Mammography Systems, for the purpose of certification of mammography facilities.
- d. Account No. 5024, Food and Drug Registration Fees, for food and drug inspections.
- e. Account No. 5022, Oyster Sales, for oyster plant inspections.
- f. Revenue Object 3589 in the General Revenue Fund for Radiation Control regulatory activities.
- g. Revenue Objects 3123, 3555, and 3573 in the General Revenue Fund for environmental regulation.
- h. Account No. 19, Vital Statistics, for processing birth and death certificates and other vital records.
- i. Account No. 512, Bureau of Emergency Management, for licensing Emergency Medical Services personnel and providers.

- j. Account No. 524, Public Health Services Fee, for Laboratory activities.
If an additional appropriation from Account No. 524, Public Health Services Fee, is made available to DSHS through this rider, the amount of General Revenue Funds in Strategy A.4.1, Laboratory Services, shall be reduced by an equivalent amount up to \$2,921,686 for each fiscal year.

By: _____

Department of State Health Services
Proposed Rider
Appropriations Limited to Revenue Collections

Prepared by LBB Staff, 3/22/2021

Overview

Accept the Department of State Health Services’ request to revise Rider 3, Appropriations Limited to Revenue Collections, to remove accounts in which recommendations exceed projected revenue collections.

Required Action

On page II-29 of the Department of State Health Services bill pattern, amend the following rider:

3. **Appropriations Limited to Revenue Collections.** Fees, fines, and other miscellaneous revenues as authorized and generated by the Department of State Health Services (DSHS) shall cover, at a minimum, the cost of the appropriations made for the programs listed in the table below, as well as the "other direct and indirect costs" associated with these programs, appropriated elsewhere in this Act. "Other direct and indirect costs" for these programs are estimated to be \$11,141,293 for fiscal year 2022 and \$11,220,324 for fiscal year 2023.
- a. This requirement shall apply to revenues generated in the following strategies and deposited under the following revenue codes or account numbers.

Strategy	Revenue Code or Account
A.1.2. Vital Statistics	019 Vital Statistics
C.1.1. Food (Meat) & Drug Safety	
341 Food & Drug Retail Fee	
5022 Oyster Sales	
5024 Food & Drug Registration	
Fees deposited into General Revenue to support C.1.1, Food (Meat) and Drug Safety, including fees deposited under the following Revenue Codes: 3142 (Food Service Worker Training); 3180 (Health Regulation Fees, for Tattoo/Body Piercing Studios); 3400 (Business Fees-Agriculture, for Milk Products); 3414 (Agriculture Inspection Fees, for Meat or Meat Products); 3554 (Food and Drug Fees, for Frozen Dessert Manufacture).	
C.1.2. Environmental Health	
5017 Asbestos Removal License	
Fees deposited into General Revenue to support C.1.2, Environmental Health, including fees deposited under the following Revenue Codes: 3123 (Volatile Chemical Sales Permit); 3180 (Health Regulation Fees, for Lead-Based	

Paint Certification Program); 3555 (Hazardous Substance Manufacture); and 3573 (Health Licenses for Camps, for Youth).

C.1.3. Radiation Control

~~5024 Certification of Mammography Systems~~

Fees deposited into General Revenue to support C.1.3, Radiation Control, including fees deposited under the following Revenue Codes: 3589 (Radioactive Materials and Devices for Equipment Regulation).

- b. Appropriations made to DSHS in this Act are contingent upon DSHS assessing fees sufficient to generate revenue to cover the General Revenue appropriations for these programs listed under Subsection a above as well as the related "other direct and indirect costs." In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct the Comptroller of Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

By: _____

Department of State Health Services
Proposed Rider
Maternal Mortality and Morbidity

Prepared by LBB Staff, 3/10/2021

Overview

Accept the Department of State Health Services’ request to revise Rider 22, Maternal Mortality and Morbidity, to update method-of-finance from Federal Funds to All Funds to allow flexibility in funds used for the programs.

Required Action

On page II-36 of the Department of State Health Services bill pattern, amend the following rider:

- 22. Maternal Mortality and Morbidity.** Amounts appropriated above to the Department of State Health Services (DSHS) in Strategy B.1.1, Maternal and Child Health, include ~~the following: \$3,500,000 in All Funds and 8.0 FTEs in each fiscal year for the following items:~~
- (a) ~~\$1,330,000 in Federal Funds and 6.0 FTEs to implement and operate maternal safety initiatives statewide;~~
 - (b) ~~\$1,170,000 in Federal Funds and 2.0 FTEs to develop and establish a high-risk maternal care coordination services pilot for women of childbearing age, which may include the following:~~
 - (1) Conducting a statewide assessment of training courses;
 - (2) Studying existing models of high-risk maternal care coordination services;
 - (3) Identifying, adapting, or creating a risk assessment tool to identify pregnant women who are at a higher risk for poor pregnancy, birth, or postpartum outcomes and train providers on use of the risk assessment tools; and
 - (4) Creating educational materials for promotoras or community health workers; and
 - (c) ~~\$1,000,000 in Federal Funds to increase public awareness and prevention activities related to maternal mortality and morbidity.~~

Additionally, out of funds appropriated above, DSHS in coordination with the Maternal Mortality and Morbidity Review Committee shall annually collect information relating to postpartum depression screening and treatment under state health programs administered by the Health and Human Services Commission, including Medicaid and Healthy Texas Women.

By: _____

Department of State Health Services
Proposed Rider
HIV Care Formula Grants

Prepared by LBB Staff, 3/22/2021

Overview

Accept the Department of State Health Services’ request to revise Rider 27, HIV Care Formula Grants, to have rider require notification if DSHS expends HIV Care Formula Grants in excess of the appropriated amount instead of if DSHS expends the upcoming year’s award in the current year.

Required Action

On page II-37 of the Department of State Health Services bill pattern, amend the following rider:

- 27. HIV Care Formula Grants.** If the projected expenses for the HIV Care Formula Grants as included in the Monthly Financial Report required by Rider 11, Other Reporting Requirements, require the Department of State Health Services to either expend HIV Care Formula Grants in excess of the appropriated amounts or expend a portion of the upcoming year’s award in the current fiscal year, DSHS shall provide the following information with their Monthly Financial Report:
- (a) the amount of the future award to be expended in the current fiscal year;
 - (b) the reason for spending the funds early; and
 - (c) the effect of spending the funds early on funding availability in the following fiscal year.

By: _____

Department of State Health Services
Proposed Rider
Hemp Regulation

Prepared by LBB Staff, 3/22/2021

Overview

Add a new rider to allow DSHS to access hemp revenue and up to 3.4 FTEs per fiscal year if revenue for object code 3554 for hemp is above appropriations.

Required Action

On page II-X of the Department of State Health Services bill pattern, add the following rider:

_____. **Hemp Regulation.** Included in amounts appropriated above, in Strategy C.1.1, Food (Meat) and Drug Safety, is an estimated \$598,992 in each fiscal year from Revenue Object 3554 in the General Revenue Fund for Consumable Hemp Products for the purposes of implementing Chapter 443 of the Health and Safety Code.

Additional revenue from Revenue Object 3554 in the General Revenue Fund for Consumable Hemp Products in excess of the amounts appropriated above (estimated to be \$0) is appropriated to the Department of State Health Services (DSHS) for the same purpose up to an additional \$295,235 each fiscal year. For each additional \$73,809 in revenue above appropriations, the DSHS Full Time Equivalents (FTE) cap may be increased by 1.0 FTEs in the fiscal year in which the additional revenue is collected, up to an additional 3.4 FTEs.

By: _____

Health and Human Services Commission, Article II
Proposed Rider
Hospital Reimbursement

Prepared by LBB Staff, 02/25/2021

Overview

Accept the Health and Human Services Commission’s request to reinstate former Rider 6, Hospital Reimbursement, 2020-21 General Appropriations Act.

Required Action

On page II-XX of the Health and Human Services Commission’s bill pattern, add the following rider:

- XX. Hospital Reimbursement.** Contingent upon federal approval, and to the extent allowed by law, no funds appropriated above for the payment of inpatient hospital fees and charges under the medical assistance program may be expended, except under a prospective payment methodology for all Medicaid inpatient claims, excluding state-owned teaching hospital Medicaid inpatient claims, that employs sound cost reimbursement principles and:
- (a) enhances the Health and Human Services Commission’s ability to be a prudent purchaser of health care;
 - (b) reflects costs that are allowable, reasonable and medically necessary to deliver health care services to the state’s Medicaid population;
 - (c) reduces the variability in the Medicaid reimbursement rates paid to hospitals for treating patients with the same diagnoses;
 - (d) promotes and rewards increased efficiency in the operation of hospitals;
 - (e) emphasizes and rewards quality of outcomes and improves the treatment of Medicaid patients through pay-for-performance principles; and
 - (f) recognizes, through add-on payments or other methods, the unique needs of individual hospitals, including rural hospitals.

By: _____

Health and Human Services Commission, Article II
Proposed Rider Deletion
Hospital Uncompensated Care

Prepared by LBB Staff, 02/25/2021

Overview

Accept the Health and Human Services Commission’s request to delete Rider 4, Hospital Uncompensated Care.

Required Action

On page II-55 of the Health and Human Services Commission’s bill pattern, delete the following rider:

- 4. ~~**Hospital Uncompensated Care.** The Health and Human Services Commission (HHSC) shall ensure that the reporting of uncompensated care by Texas hospitals is consistent for all hospitals and subjected to a standard set of adjustments that account for payments to hospitals that are intended to reimburse uncompensated care. These adjustments are to be made in such a way that a reliable determination of the actual cost of uncompensated care in Texas is produced.~~

~~The commission shall conduct an appropriate number of audits to assure the accurate reporting of uncompensated hospital care costs.~~

~~HHSC shall submit a biennial report on uncompensated care costs to the Governor and Legislative Budget Board no later than December 1, 20220, which details the impact of patient specific and lump sum supplemental payments funding as offsets to uncompensated costs, impact of health care reform efforts on the funding streams that reimburse uncompensated care, and assess the need for those funding streams in future biennia. HHSC may report by hospital type. Although HHSC must report on all Texas hospitals, HHSC may use the most accurate data available for each hospital.~~

By: _____

Health and Human Services Commission, Article II
Proposed Rider
Medicaid Therapy Services Reporting

Prepared by LBB Staff, 02/25/2021

Overview

Accept the Health and Human Services Commission’s request to change reporting frequency on pediatric acute care therapy services from a quarterly basis to a biannual basis.

Required Action

On page II-59 of the Health and Human Services Commission’s bill pattern, amend the following rider:

11. **Medicaid Therapy Services Reporting.** Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts and Administration, the Health and Human Services Commission (HHSC) shall submit, on a ~~quarterly~~biannual basis, the following information related to pediatric acute care therapy services (including physical, occupational, and speech therapies) by service delivery area and information regarding whether the items below negatively affect access to care:
- (a) Provider and member complaints by disposition received by the Office of the Ombudsman and HHSC Health Plan Management;
 - (b) Provider and member complaints by disposition reported by Medicaid Managed Care Organizations using a standard definition of complaint as defined by HHSC;
 - (c) Provider and member appeals by disposition received by HHSC Health Plan Management, and resolution of the appeals;
 - (d) The number of pediatric acute care therapy provider terminations and the reason for identified terminations;
 - (e) The utilization of pediatric acute care therapy services by therapy type and provider type;
 - (f) The number of members on a waiting list, defined as 1) those who have been referred to a provider or Medicaid Managed Care Organization, but there is not a treating therapist to perform an initial assessment, and 2) those who have been assessed, but are unable to access pediatric acute care therapy services due to insufficient network capacity; and
 - (g) The number of pediatric acute care therapy providers no longer accepting new clients and the reason for identified panel closures.

HHSC shall submit the ~~quarterly~~biannual reports to the Legislative Budget Board and the Governor in a format specified by the Legislative Budget Board ~~no later than 30 days after the end of each fiscal quarter~~. HHSC shall ensure standardized collection of data to obtain all data used in the report. HHSC shall develop a process for pediatric therapy providers to submit data directly to HHSC for items (f) and (g), using feedback obtained from relevant stakeholders.

By: _____

Health and Human Services Commission, Article II
Proposed Rider
Supplemental Payment Programs

Prepared by LBB Staff, 02/25/2021

Overview

Accept the Health and Human Services Commission’s (HHSC) request to amend Rider 16, Supplemental Payment Programs Reporting and Appropriation Authority for Intergovernmental Transfers, to 1) update the list of programs included in the report, 2) add or update other reporting requirements, 3) provide additional full-time equivalent authority at HHSC to implement the extension of the Healthcare Transformation and Quality Improvement 1115 Waiver, and 4) permit HHSC to create a new capital budget item out of existing appropriations for electronic data collection to support monitoring of local funds used in the Medicaid program.

Required Action

On page II-61 of the Health and Human Services Commission’s bill pattern, amend the following rider:

16. **Supplemental Payment Programs Reporting and Appropriation Authority for Intergovernmental Transfers.** Out of funds appropriated above in Strategy B.1.1, Medicaid Contracts & Administration, the Health and Human Services Commission (HHSC) shall report certain financial and expenditure information regarding supplemental payment programs, including, but not limited to, the Disproportionate Share Hospital (DSH) program, the Uncompensated Care (UC) Pool, the Public Health Provider Charity Care Program (PHP-CCP), the Delivery System Reform Incentive Payment (DSRIP) Pool, the Network Access Improvement Program (NAIP), and other state directed payment programs, supplemental or other payments where the source of the non-federal share is Local Provider Participation Funds (LPPF) intergovernmental transfers (IGTs) or certified public expenditures (CPEs), and other programs operated under the Healthcare Transformation and Quality Improvement Program 1115 Waiver, and any successor programs. In addition, HHSC shall gather information on all mandatory payments to a Local Provider Participation Fund (LPPF) and all uses for such payments, including the amount of funds from an LPPF for each particular use.

(a) HHSC shall report quarterly:

- (1) Prospective payment estimates, aligning estimated payments reporting with the CMS-37. The report will include a prospective certification that the requisite matching state and local funds are, or will be, available for the certified quarter. The quarterly financial report provides a statement of the state’s Medicaid funding requirements for a certified quarter through summary data by each program; and
- (2) Expenditures made in the previous quarter, aligning expenditure reporting with the CMS-64. The report will include actual expenditures allowable under state and federal requirements. HHSC will report the recipients of all funds distributed by the commission for all supplemental payment programs. The report shall include:
 - (A) the recipients of funds by program;
 - (B) the amount distributed to each recipient; and
 - (C) the date such payments were made; and,
 - ~~(D) all mandatory payments to an LPPF, including the amounts for each particular use.~~

(b) HHSC shall report annually:

- (1) Information on all mandatory payments to a Local Provider Participation Fund (LPPF) and all uses for such payments, including the amount of funds from an LPPF for each particular use;
- (2) The total amount of IGT used to support Medicaid;
- (3) The total amount of CPEs used to support Medicaid;
- (4) A summary of any survey data collected by HHSC to provide oversight and monitoring of the use of local funds in the Medicaid program; and
- (5) All financial reports submitted to the Centers for Medicare and Medicaid Services related to programs that use local funds in the Medicaid program.

~~(b)~~ Intergovernmental transfers (IGTs) of funds from institutions of higher education are appropriated to HHSC for the non-federal share of uncompensated care or delivery system reform incentive payments or monitoring costs under the Healthcare Transformation and Quality Improvement Program 1115 Waiver.

(e) In an effort to maximize the receipt of federal Medicaid funding, HHSC is appropriated and may expend IGT received as Appropriated Receipts-March for Medicaid No. 8062 for the purpose of matching Medicaid Federal Funds for payments to Medicaid providers and to offset administrative costs for programs HHSC administers for other entities.

~~(d)~~ From funds appropriated elsewhere in the act, HHSC shall provide a copy of the annual independent audit conducted of DSH and UC in compliance with federal requirements. HHSC shall provide a report of the audit's findings annually by June 30 to the Governor, the Lieutenant Governor, the Speaker of the House of Representatives, the Senate Finance Committee members, the House Appropriations Committee members, and the Legislative Budget Board.

(e) HHSC will use the sums transferred from state owned hospitals as provided elsewhere in the Act as necessary to apply for appropriate matching Federal Funds and to provide the state's share of disproportionate share payments and uncompensated care payments authorized under the federal Healthcare Transformation and Quality Improvement Waiver, excluding payments for physicians, pharmacies, and clinics, due to state-owned hospitals. Any amounts of such transferred funds not required for these payments shall be deposited by HHSC to the General Revenue Fund as unappropriated revenue. Payments for physicians, pharmacies, and clinics are governed by Special Provisions Relating Only to Agencies of Higher Education, §54.

~~(f)~~ By October 1 of each fiscal year, HHSC shall present a schedule of projected transfers and payments to the Comptroller of Public Accounts, the Governor, and the Legislative Budget Board.

(h) In addition to the "Number of Full Time Equivalents (FTE)" appropriated above, an additional 60.0 FTEs are authorized for each year of the 2022-23 biennium if HHSC determines the additional staff are necessary implement the extension of the Healthcare Transformation and Quality Improvement 1115 waiver, including for increased monitoring and oversight of the use of local funds, and administration of new directed-payment programs and new supplemental payment programs. Of the additional FTEs authorized by this subsection, HHSC shall designate no less than 23.0 FTEs for the oversight and monitoring of the use of local funds in the Medicaid program.

(i) Notwithstanding the limitations in Article IX, Section 14.03, Transfers – Capital Budget, and Rider 88, Limitations on Transfer Authority, HHSC is authorized to transfer from an existing capital budget item or non-capital budget item to a new capital budget item not present in the agency's bill pattern to implement an electronic data collection and storage tool for the collection of information to support monitoring of local funds used in the Medicaid program, provided that HHSC determines that the project is necessary to meet the state's responsibilities under the

Special Terms and Conditions for the Healthcare Transformation and Quality Improvement Program 1115 waiver.

By: _____

Health and Human Services Commission, Article II
Proposed Rider Deletion
Rural Labor and Delivery Medicaid Add-on Payment

Prepared by LBB Staff, 03/02/2021

Overview

Accept the Health and Human Services Commission’s request to delete Rider 17, Rural Labor and Delivery Medicaid Add-on Payment.

Required Action

On page II-62 of the Health and Human Services Commission’s bill pattern, delete the following rider:

17. ~~**Rural Labor and Delivery Medicaid Add-on Payment.** Included in amounts appropriated above to the Health and Human Services Commission (HHSC) in Strategy A.1-3, Pregnant Women, is \$3,146,400 in General Revenue and \$4,853,600 in Federal Funds in fiscal year 2022 and \$3,050,400 in General Revenue and \$4,949,600 in Federal Funds in fiscal year 2023 for HHSC to provide a \$500 Medicaid add-on payment for labor and delivery services provided by rural hospitals. For purposes of this rider, rural hospitals are defined as (1) hospitals located in a county with 60,000 or fewer persons according to the 2010 U.S. Census; or (2) a hospital designated by Medicare as a Critical Access Hospital (CAH), a Sole Community Hospital (SCH), or a Rural Referral Center (RRC) that is not located in a Metropolitan Statistical Area (MSA); or (3) a hospital that has 100 or fewer beds, is designated by Medicare as a CAH, a SCH, or a RRC, and is located in an MSA.~~

By: _____

Health and Human Services Commission, Article II
Proposed Rider
Women’s Health Programs: Savings and Performance Reporting

Prepared by LBB Staff, 02/26/2021

Overview

Accept the Health and Human Services Commission’s request to amend Rider 40, Women’s Health Programs: Savings and Performance Reporting, to update certain reporting requirements.

Required Action

On page II-75 of the Health and Human Services Commission’s bill pattern, amend the following rider:

40. **Women’s Health Programs: Savings and Performance Reporting.** The Health and Human Services Commission shall submit an annual report on the Healthy Texas Women (HTW), Family Planning Program (FPP), and Breast and Cervical Cancer Services Program, due August 1 of each year, to the Legislative Budget Board and the Governor’s Office that includes the following information:
- (a) Enrollment levels of targeted low-income women and service utilization by geographic region, including total number of unduplicated patients served, delivery system, and age from the prior two fiscal years;
 - (b) Savings or expenditures in the Medicaid program that are attributable to enrollment levels as reported in section (a);
 - (c) Descriptions of all outreach activities undertaken for the reporting period;
 - (d) The total number of providers, by geographic region, enrolled in HTW and FPP networks, and providers from legacy Women’s Health Programs (including Texas Women’s Health Program) not to include duplications of providers or ancillary providers;
 - (e) The average and median numbers of program clients, and the total number of unduplicated patients served, detailed by provider;
 - (f) The count of women in HTW and FPP receiving a long-acting reversible contraceptive;
 - (g) The service utilization by procedure code. The annual report submitted as required above must satisfy federal reporting requirements that mandate the most specific, accurate, and complete coding and reporting for the highest level of specificity;
 - (h) Total expenditures, by method of finance and program; and
 - (i) ~~Number of unduplicated women auto-enrolled into HTW from Medicaid for Pregnant women.~~ Number of unduplicated women who are determined eligible and enrolled into HTW after their Medicaid for Pregnant Women ends.

It is the intent of the Legislature that if the findings of the report show a reduction in women enrolled or of service utilization of greater than ten percent relative to the prior two fiscal years, the agency shall, within existing resources, undertake corrective measures to expand provider capacity and/or client outreach and enrollment efforts.

By: _____

Health and Human Services Commission, Article II
Proposed Rider
Education Funding

Prepared by LBB Staff, 02/26/2021

Overview

Accept the Health and Human Services Commission’s request to amend Rider 45, Education Funding, to reflect actual practice.

Required Action

On page II-79 of the Health and Human Services Commission’s bill pattern, amend the following rider:

- 45. **Education Funding.** Included in the Method of Financing in Other Funds above is \$16,498,102 in each fiscal year set aside from the Special Education Allotment and transferred to the Health and Human Services Commission (HHSC).

HHSC shall enter into an ~~Memorandum of Understanding (MOU)~~Interagency Contract (IAC) with the Texas Education Agency for the purpose of providing funds to Early Childhood Intervention contractors for eligibility determination and comprehensive and transition services. The ~~MOU~~IAC shall include a listing of the specific services that the funding will support and other provisions the agencies deem necessary. HHSC shall provide a signed copy of the ~~MOU~~IAC to the Legislative Budget Board and the Governor, no later than October 1, 2022.

By: _____

Health and Human Services Commission, Article II
Proposed Rider
Report on Child Advocacy Centers and Court Appointed Special Advocates

Prepared by LBB Staff, 02/26/2021

Overview

Accept the Health and Human Services Commission’s request to amend Rider 53, Funding for Child Advocacy Center Programs and Court Appointed Special Advocate Programs, to change report due date.

Required Action

On page II-82 of the Health and Human Services Commission’s bill pattern, amend the following rider:

53. Funding for Child Advocacy Center Programs and Court Appointed Special Advocate Programs.

(a) Included in appropriations above in Strategy F.3.2, Child Advocacy Programs, is \$13,484,082 in General Revenue, \$5,114,922 in General Revenue - Dedicated Compensation to Victims of Crime Account No. 0469, and \$5,000,000 in General Revenue - Dedicated Sexual Assault Program Account No. 5010 in each fiscal year for the purpose of entering into a contract with a statewide organization that shall provide training, technical assistance, evaluation services, and funds administration to support contractual requirements for local children’s advocacy center programs. The statewide organization must be exempt from federal income taxation and be composed of individuals or groups of individuals who have expertise in the establishment and operation of children’s advocacy center programs.

(b) Included in appropriations above in Strategy F.3.2, Child Advocacy Programs, is \$9,835,578 in General Revenue, \$5,114,922 in General Revenue - Dedicated Compensation to Victims of Crime Account No. 0469, and \$13,500 in License Plate Trust Fund Account No. 0802 in each fiscal year for the purpose of entering into a contract with a statewide organization that shall provide training, technical assistance, and evaluation services for the benefit of local volunteer advocate programs. The statewide organization must be exempt from federal income taxation and be composed of individuals or groups of individuals who have expertise in the dynamics of child abuse and neglect and experience in operating volunteer advocate programs.

(c) Unexpended balances in Strategy F.3.2, Child Advocacy Programs, remaining as of August 31, 2022, are appropriated for the same purposes for the fiscal year beginning September 1, 2022.

(d) No later than December ~~15~~¹ of each fiscal year, the Health and Human Services Commission shall submit a report detailing the expenditures of funds appropriated in Strategy F.3.2, Child Advocacy Programs. The report shall include information demonstrating continuity of service from the previous fiscal year, services provided and the number of children for whom the services were provided, the amount of grants awarded in each of the categories listed above, the amount of expenditures for administration, the amount of expenditures from General Revenue - Dedicated Compensation to Victims of Crime Fund Account No. 0469, and General Revenue - Dedicated Sexual Assault Program Account No. 5010, oversight activities conducted relating to the child advocacy programs, and an analysis of the effectiveness of the contracts awarded in subsections (a) and (b). The report shall be submitted to the

Legislative Budget Board, the Governor, the Senate Finance Committee, and the House Appropriations Committee.

By: _____

Health and Human Services Commission, Article II
Proposed Rider
Reporting on Population Served

Prepared by LBB Staff, 02/26/2021

Overview

Accept the Health and Human Services Commission’s request to amend Rider 56, Reporting on Population Served, to remove reporting requirements.

Required Action

On page II-83 of the Health and Human Services Commission’s bill pattern, amend the following rider:

56. **Reporting on Population Served.** Out of funds appropriated above in Strategy L.1.1, HHS System Supports, the Health and Human Services Commission shall report the following information for the prior fiscal year:
- (a) percentage of Texas Health Steps Early and Periodic, Screening, Diagnosis, and Treatment (EPSDT) clients who received at least one medical check-up;
 - (b) percentage of children estimated to be eligible for the Children’s Health Insurance Program (CHIP) who were enrolled in the program;
 - (c) percentage of children under the age of three who received comprehensive intervention services through the Early Childhood Intervention (ECI) program; and
 - (d) percentage of children living in poverty who received Temporary Assistance for Needy Families (TANF) or State Two-Parent Cash Assistance program benefits; and,
 - ~~(e) percentage of people estimated to be eligible for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) who were provided WIC services.~~

HHSC shall submit the report by February 1 of each year. The report shall be submitted to the Governor, Legislative Budget Board, and permanent committees in the House of Representatives and the Senate with jurisdiction over health and human services.

By: _____

Health and Human Services Commission, Article II
Proposed Rider
Independent Living Services

Prepared by LBB Staff, 03/02/2021

Overview

Accept the Health and Human Services Commission’s request to add new rider concerning independent living services, requiring a report.

Required Action

On page II-XX of the Health and Human Services Commission’s bill pattern, add the following rider:

XX. Independent Living Services Review.

(a) All funds provided for the provision of independent living services are to be distributed in accordance with the Rehabilitation Act of 1973 as amended. 2015. by the Designated State Entity, who is responsible for the accounting and distribution of these funds.

(b) The Health and Human Services Commission shall provide an annual report by December 31 of each year to the Texas Workforce Commission on the services Centers for Independent Living are providing with the SSA-VR/IAC funds provided to Centers for Independent Living for the administration of the Independent Living Services Program, including number of consumers served, breakdown of services provided, performance targets, and any other information the agencies deem necessary to ensure accounting of the funding.

(c) By January 1, 2023, the Health and Human Services Commission shall conduct an independent study of the Independent Living Services program to evaluate the ILS grants and outsource model, to assess if the ILS model of service provision is meeting the needs of Texans with disabilities, consider alternate methods to reduce administrative costs, explore utilization of funds and progress of Centers for Independent Living to obtain alternative or additional funding for operational expenses, maximize funds for the provision of services to consumers, increase collaboration with partners, ensure the provision of No Wrong Door and Wrap-around services, and whether numbers of consumers served increased as intended in the outsourcing of the program from the state. Additionally, the study will evaluate the roles and responsibilities of the Designated State Entity to identify strengths, weaknesses, risks and opportunities for improvement, expanding the provider base for the services to provide improved support, budgetary flexibility and added benefits to the provider base.

By: _____

Health and Human Services Commission, Article II
Proposed Rider
State-Owned Housing

Prepared by LBB Staff, 02/26/2021

Overview

Accept the Health and Human Services Commission’s request to update the listing of positions in Rider 67, State-Owned Housing.

Required Action

On page II-87 of the Health and Human Services Commission’s bill pattern, amend the following rider:

67. **State-Owned Housing.** The Superintendent, Medical Director, Assistant Superintendent ~~for Programs~~, and Director of Plant Maintenance at each state hospital and the Director, Medical Director, Assistant Director for Programs, and Director of Plant Maintenance at each state supported living center are authorized to live in state-owned housing at a rate determined by the Health and Human Services Commission (HHSC). Other HHSC employees may live in state-owned housing as set forth in Article IX, §11.02, Reporting Related to State Owned Housing, of this Act. Fees for employee housing are appropriated above to be used for maintaining employee housing.

By: _____

Health and Human Services Commission, Article II
Proposed Rider
Reimbursement of Advisory Committee Members

Prepared by LBB Staff, 02/26/2021

Overview

Accept the Health and Human Services Commission’s request to amend Rider 100, Reimbursement of Advisory Committee Members, to add the Chronic Kidney Disease Task Force.

Required Action

On page II-108 of the Health and Human Services Commission’s bill pattern, amend the following rider:

100. **Reimbursement of Advisory Committee Members.** Pursuant to Government Code §2110.004, reimbursement of expenses for advisory committee members, out of funds appropriated above - not to exceed a total of \$242,532 each fiscal year, is limited to the following advisory committees: Hospital Payment Advisory Committee, Medical Care Advisory Committee, State Medicaid Managed Care Advisory Committee, Intellectual and Developmental Disability System Redesign Advisory Committee, Drug Utilization Review, Behavioral Health Advisory Committee, Perinatal Advisory Council, Policy Council for Children and Families, Texas Council on Consumer Direction, Nursing Facility Administrators Advisory Committee, Early Childhood Intervention Advisory Council, Board for Evaluation of Interpreters, Joint Committee on Access and Forensic Services, Palliative Care Interdisciplinary Advisory Council, Texas Medical Disclosure Panel, Aging and Disability Resource Center Advisory Committee, Aging Texas Well Advisory Committee, STAR Kids Managed Care Advisory Committee, Texas Brain Injury Advisory Council, Chronic Kidney Disease Task Force, and Texas Respite Advisory Committee.

To the maximum extent possible, the Health and Human Services Commission shall encourage the use of videoconferencing and teleconferencing and shall schedule meetings and locations to facilitate the travel of participants so that they may return the same day and reduce the need to reimburse members for overnight stays.

By: _____

Health and Human Services Commission, Article II
Proposed Rider
Staffing in Lieu of Contracted Responsibilities

Prepared by LBB Staff, 02/26/2021

Overview

Accept the Health and Human Services Commission’s request to add new rider concerning full-time equivalent authority and limitations.

Required Action

On page II-XX of the Health and Human Services Commission’s bill pattern, add the following rider:

XX. **Staffing in Lieu of Contracted Responsibilities.** Notwithstanding the provisions in Article IX, §6.10, Limitation on State Employment Levels, if the executive commissioner of the Health and Human Services Commission (HHSC) determines that a service performed under a contract as of the effective date of this Act would be more effectively performed by state personnel, the executive commissioner may adjust the agency's full-time equivalent (FTE) limitation to the extent necessary to ensure the successful assumption of such contracted duties and to comply with federal performance standards.

Authority granted by this provision is contingent upon a written notification from HHSC to the Legislative Budget Board and the Governor at least 30 days prior to adjusting budgeted FTE levels that includes the following information:

- a. a detailed explanation of the adjustments to the affected contract and the reason(s) for the adjustment;
- b. the estimated reduction in spending in All Funds on the contract by fiscal year;
- c. the increase in both the annual average and end-of-year FTEs by fiscal year; and
- d. the estimated increase in expenditures by object of expense and method of financing for each fiscal year.

By: _____

Health and Human Services Commission, Article II
Proposed Rider
Managed Care Organization Performance Requirement to Ensure Best Value

Prepared by LBB Staff, 03/23/2021

Overview

Delete Health and Human Services Commission Rider 22, Managed Care Organization Performance Requirement to Ensure Best Value.

Required Action

On page II-65 of the Health and Human Services Commission bill pattern, delete the following rider:

22. **Managed Care Organization Performance Requirement to Ensure Best Value.**

~~a. Pursuant to Government Code, Sec. 533.013(a)(5), Sec. 533.0025, Sec. 536.052(b) and (d), Sec. 2155.144, Sec. 533.004(b), 42 CFR § 438.66 and this provision, it is the intent of the Legislature that for both procurement and routine performance assessment, funds appropriated above for services provided through managed care in Goal A, Medicaid Client Services, and Goal C, CHIP Client Services, be expended only for: 1) high performing managed care organizations (MCOs) that provide the best value to the state, and 2) a rate payment system that incentivizes high performing MCOs.~~

~~b. Funds appropriated above in Strategy B-1.1, Medicaid Contracts and Administration, in fiscal year 2022 include funding for the following items:~~

~~(1) Procurement-related performance benchmarks for MCOs. No later than December 31, 2021, Health and Human Services Commission (HHSC) shall develop and publish performance benchmarks for the procurement of MCOs. In developing performance benchmarks, HHSC shall 1) use new and existing cost efficiency, Medicaid quality of care, and customer satisfaction metrics; and 2) organize new indices that would serve to evaluate past vendor performance and probable future performance in accordance with Government Code, Section 2155.144. The development of the performance indices shall be conducted in a transparent and objective manner through an appropriate public input and review process.~~

~~(2) Post-procurement related performance assessment. No later than December 31, 2021, HHSC shall develop and publish annual accountability requirements and consequences for MCOs whose: 1) expenditures exceed revenue from actuarially sound premiums and, 2) performance against cost, quality, and customer satisfaction indices is unsatisfactory relative to other MCOs. The accountability requirements and consequences should use the indices described in subsection (b)(1).~~

~~(3) HHSC Plan. No later than December 31, 2021 HHSC shall submit a plan to the Legislative Budget Board identifying 1) the milestones and timeline to implement the benchmarks required to be developed in subsection (b)(1) by September 1, 2022, and 2) the milestones and timeline to implement the accountability measures and consequences required to be developed in subsection (b)(2) by September 1, 2022.~~

~~e. Pursuant to Government Code, Chapter 533, it is the intent of the Legislature:~~

- (1) ~~HHS~~C may, at any time, eliminate low performing MCOs retained with appropriated funds that fail to achieve best value for the state and administrative savings for the agency; and
- (2) ~~HHS~~C may reduce, suspend or withhold appropriated funds from MCOs who do not comply with this provision.
- d. ~~It is the intent of the Legislature that HHS~~C consider the following actions when implementing performance requirements in the Medicaid and CHIP managed care programs: reduction of risk margin, limiting or ceasing enrollment, and cancellation of contracts in one or more Service Delivery Area or product line.
- e. ~~It is the intent of the Legislature to ensure that future managed care contract award decisions are determined based upon best value criteria and that managed care procurements incorporate the elements listed in subsection (b) above.~~ Notwithstanding Article IX, Section 17.10 Contract Management and Oversight, managed care contracts may be extended until this rider is implemented.
- f. ~~Beginning on September 1, 2021 and then quarterly thereafter, HHS~~C shall submit a written report to the Health & Human Services Transition Legislative Oversight Committee describing progress towards implementing the provisions of this section.

By: _____

Article II, Special Provisions Related to All Health and Human Services Agencies
Services Agencies
Proposed Rider
System Support Services

Prepared by LBB Staff, 03/22/2021

Overview

Amend Special Provisions Related to All Health and Human Services Agencies, Sec. 9, System Support Services, to only identify All Funds appropriations for system support services.

Required Action

On page II-125 of Special Provisions Relating to All Health and Human Services Agencies, amend the following rider:

Sec. 9. System Support Services.

(a) **Appropriations for System Support Services.** Included in amounts appropriated in Article II of this Act are the following amounts for Article II system support services assessments:

- (1) ~~\$65,769,268 in General Revenue and \$118,037,459~~\$107,757,442 in All Funds in each fiscal year at the Department of Family and Protective Services (DFPS);
- (2) ~~\$33,112,692 in General Revenue, \$5,587,891 in General Revenue Dedicated, and \$39,968,314 in All Funds in each fiscal year at the Department of State Health Services (DSHS); and~~
- (3) ~~\$196,396,933 in General Revenue, \$38,840 in General Revenue Dedicated, and \$366,824,820 in All Funds in each fiscal year at the Health and Human Services Commission (HHSC).~~

Amounts in this subsection do not include benefits, which are appropriated elsewhere in this Act.

(b) None of the funds appropriated to an agency listed in Article II of this Act shall be expended for system support services unless the following requirements are met:

(1) **Reporting Requirements.** HHSC shall submit the following information at the agency and system level to the Legislative Budget Board and the Governor:

- (A) Annual Assessments. By September 1 of each year:
 - (i) amounts assessed for system support services, by service category and fund type, for the new fiscal year; and
 - (ii) copies of any agreements between the agencies regarding system support services for the new fiscal year.
- (B) Annual Expenditures. By October 1 of each year:
 - (i) expenditures for system support services, by service category and fund type, for the three prior fiscal years; and

- (ii) amount each agency's actual expenditures for system support services have changed since submission of the prior year's report.

DFPS and DSHS shall provide all necessary information to HHSC to complete the reports required by this subsection.

- (2) **Notification of Anticipated Increases.** HHSC shall notify the Legislative Budget Board and the Governor if total expenditures for system support services are expected to exceed the amounts reported in subsection (a) by more than \$1,000,000 in combined General Revenue and General Revenue-Dedicated during the fiscal year or if HHSC implements any new projects or services not presented to the Legislature that will result in an increase in the amounts assessed to DFPS or DSHS. The notification shall include:

- (A) the reason(s) for the increase;
- (B) the estimated allocation of the increased cost between agencies by method-of-financing; and
- (C) how each agency will fulfill their estimated contribution.

- (c) **Transfer of Appropriations for System Support Services.** Notwithstanding the limitations of Special Provisions Relating to All Health and Human Services Agencies, §6, Limitations on Transfer Authority, and Article IX, §14.01, Appropriation Transfers, HHSC may transfer funds appropriated to the agency for system support services to DFPS and DSHS. Transferred appropriations shall only be expended by the receiving agency for system support services.

- (1) **Transfers Requiring Notification.** If the appropriations to be transferred are appropriated in HHSC Goal I, System Oversight and Program Support, and the transfer will not create or increase a supplemental need, this authority is contingent upon HHSC submitting prior written notification to the Legislative Budget Board and Governor. The notification shall include:

- (A) the reason for the transfer;
- (B) amounts to be transferred by agency, strategy, method-of-financing, and fiscal year; and
- (C) the capital budget impact.

- (2) **Transfers Requiring Approval.** All transfers not subject to subsection (c)(1) require prior written approval from the Legislative Budget Board and the Governor. To request approval, the agency shall submit a written request to the Legislative Budget Board and the Governor that includes the following information:

- (A) the reason for the transfer;
- (B) amounts to be transferred by agency, strategy, method-of-financing, and fiscal year;
- (C) the estimated impact to the agency's supplemental need, by method-of-financing;
- (D) an estimate of performance levels and, where relevant, a comparison to targets included in this Act; and
- (E) the capital budget impact.

The request shall be considered disapproved unless the Legislative Budget Board and the Governor issue written approval within 30 business days of the date on which the staff of the Legislative Budget Board concludes its review of the request to transfer funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any

requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 30 business days.

(d) **Limitations on Expenditures.** Amounts identified in subsection (a) and any amounts transferred pursuant to subsection (c) of this rider shall not be expended for a purpose other than system support services without prior written approval from the Legislative Budget Board and the Governor. To request approval, the agency shall submit a written request to the Legislative Budget Board and the Governor that includes the following information:

- (1) a detailed explanation of the proposed use(s) of the appropriations and whether the expenditure(s) will be one-time or ongoing;
- (2) the amount by strategy and method-of-financing;
- (3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act; and
- (4) the capital budget impact.

The request shall be considered disapproved unless the Legislative Budget Board and the Governor issue written approval within 30 business days of the date on which the staff of the Legislative Budget Board concludes its review of the request to expend funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 30 business days.

(e) **Requests and Notifications.** Any requests or notifications submitted by an agency listed in Article II of this Act, pursuant to any rider or other provision of this Act, shall include the anticipated impact the request or notification will have on system support service assessments by agency and method-of-financing.

The Comptroller of Public Accounts shall not allow the expenditure of funds for system support services, including assessments if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

By: _____

Article II, Special Provisions Relating to All Health and Human Services Agencies

Proposed Rider

Appropriation of Receipts: Damages and Penalties

Prepared by LBB Staff, 03/22/2021

Overview

Amend Special Provisions Sec. 11, Appropriation of Receipts: Damages and Penalties, to remove references to the Office of Inspector General.

Required Action

On page II-128 of Special Provisions Relating to All Health and Human Services Agencies, amend the following rider:

Sec. 11. Appropriation of Receipts: Damages and Penalties. Included in amounts appropriated by this Act are the following:

- (a) \$585,363 in Other Funds (Appropriated Receipts) in each fiscal year in Health and Human Services Commission (HHSC) Strategy H.1.2, Long-term Care Quality Outreach, collected pursuant to Human Resources Code §32.021. Any amount collected above this amount is to be applied to the protection of health and property of residents in nursing facilities in accordance with 42 U.S. Code §1396r(h)(2)(a)(ii) and Human Resources Code §32.021(g) subject to the approval of the Centers for Medicare and Medicaid Services;
- (b) ~~\$707,435 in General Revenue Match for Medicaid in each fiscal year in HHSC Strategy K.1.1, Office of Inspector General, contingent upon the collection of damages and penalties under Human Resources Code §32.039; and~~
- ~~(c)~~ \$390,000 in General Revenue in each fiscal year in Department of State Health Services (DSHS) Strategy C.1.1, Food (Meat) and Drug Safety, contingent upon the collection of civil penalties under Health and Safety Code §431.0585. Any amounts collected above ~~the~~this amounts ~~identified in subsections (b) and (c) by the respective agency are~~is appropriated to the ~~respective agency~~DSHS in amounts equal to the costs of the investigation and collection proceedings conducted under ~~Human Resources Code §32.039 or~~ Health and Safety Code §431.0585, and any amounts collected as reimbursement for claims paid by the agency. In the event that actual and/or projected revenue collections are insufficient to offset the appropriations identified in this subsections ~~(b) or (c) of this provision~~, the Comptroller of Public Accounts is directed to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

By: _____

Article II, Special Provisions Related to All Health and Human Services Agencies

Proposed Rider

Limitation: Expenditure and Transfer of Public Health Medicaid Reimbursements

Prepared by LBB Staff, 03/05/2021

Overview

Accept the Department of State Health Services’ request to amend Special Provisions Related to All Health and Human Services Agencies, Sec. 14, Limitation: Expenditure and Transfer of Public Health Medicaid Reimbursements, to decrease the amount of Public Health Medicaid Reimbursements appropriated to HHSC and to prioritize distribution of funds to the DSHS Laboratory.

Required Action

On page II-131 of Special Provisions Relating to All Health and Human Services Agencies, amend the following rider:

Sec. 14. Limitation: Expenditure and Transfer of Public Health Medicaid Reimbursements.

(a) **Appropriations.** Included in the amounts appropriated to the Department of State Health Services (DSHS) and the Health and Human Services Commission (HHSC) are the following amounts of Public Health Medicaid Reimbursements (Account No. 709):

(1) Department of State Health Services:

(A) Strategy A.4.1, Laboratory Services: \$37,105,294 in fiscal year 2022 and \$37,197,270 in fiscal year 2023;

(B) Strategy B.2.2, Texas Primary Care Office: \$225,576 in each fiscal year; and

(C) Strategy E.1.1, Central Administration: \$366,935 in each fiscal year.

(2) Health and Human Services Commission:

(A) Strategy A.4.1, Non-Full Benefit Payments: ~~\$17,998,199~~ \$10,911,889 in fiscal year 2022 and ~~\$44,906,223~~ \$37,401,897 in fiscal year 2023; and

(B) Strategy G.2.1, Mental Health State Hospitals: \$47,303,996 in each fiscal year.

Revenue from Account No. 709 shall be distributed first to the item in subsection (a)(1) and then to the item in proportionally based on the distribution between all items in subsection (a)(1) and subsection (a)(2)(B) until the full amount of those appropriations is satisfied. Revenue from Account No. 709 shall be distributed to the appropriate agency within ten business days of receipt.

Appropriations from Account No. 709 shall be expended prior to utilization of General Revenue or General Revenue-Dedicated Funds in strategies identified in this subsection. In the event General Revenue or General Revenue-Dedicated Funds have been expended prior to the receipt of appropriations from Account No. 709, DSHS or HHSC shall reimburse General Revenue or General Revenue-Dedicated on a monthly basis.

HHSC may temporarily utilize funds identified in subsection (a)(2)(B) in Strategy A.4.1, Non-Full Benefit Payments, in August of 2023 if amounts identified in subsection (a)(2)(A) are expected to be available but have not yet been distributed.

(b) **Limitation on Use of Public Health Medicaid Reimbursements (Account 709).**

(1) In the event that Public Health Medicaid Reimbursement revenues exceed the amounts noted above, DSHS or HHSC may expend the Public Health Medicaid Reimbursement funds thereby made available only upon prior written approval from the Legislative Budget Board and the Governor. Notwithstanding Article IX, §14.01, Appropriation Transfers, and Special Provisions Relating to All Health and Human Services Agencies, §6, Limitations on Transfer Authority, transfers of Public Health Medicaid Reimbursement revenues may be made only upon prior written approval from the Legislative Budget Board and the Governor. A request to expend additional Public Health Medicaid Reimbursement funds or transfer Public Health Medicaid Reimbursement funds shall include the following information:

- (A) the reason for and the amount of Public Health Medicaid Reimbursement revenue that exceeds the amounts in subsection (a) above, and whether this additional revenue will continue in future years;
- (B) the reason for and the amount of any transfer of Public Health Medicaid Reimbursement revenue;
- (C) a detailed explanation of the purpose(s) of the expenditure and whether the expenditure will be one-time or ongoing;
- (D) the name of the strategy or strategies affected by the expenditure and the FTEs for each strategy by fiscal year;
- (E) the impact of the expenditure on performance levels, and, where relevant, a comparison to targets included in this Act for the affected strategy or strategies; and
- (F) the impact of the expenditure on the capital budget.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 30 business days after the date the Legislative Budget Board staff concludes its review of the proposal to expend the funds and forwards the review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 30 business days.

(2) In the event that Public Health Medicaid Reimbursement revenues and balances are insufficient to support the appropriations amounts identified in subsection (a), a reduction shall be made in HHSC Strategy A.4.1, Non-Full Benefit Payments.

By: _____

Article II, Special Provisions Relating to All Health and Human Services Agencies

Proposed Rider

Unexpended Balance Authority for Certain Funds Supporting Capital Projects

Prepared by LBB Staff, 03/02/2021

Overview

Add a rider providing the Department of State Health Services and the Department of Family and Protective Services authority to transfer unexpended balances of appropriations for enterprise assessments billing for Health and Human Services Commission capital budget projects from fiscal year 2022 to fiscal year 2023.

Required Action

On page II-XX of Special Provisions Relating to All Health and Human Services Agencies, add the following rider:

XX. Unexpended Balance Authority for Certain Funds Supporting Capital Projects.

(a) Notwithstanding all other limitations on unexpended balance authority in the Department of State Health Services (DSHS) or Department of Family and Protective Services (DFPS) bill patterns, any unexpended and unobligated balances from amounts appropriated as of August 31, 2022, to DSHS or DFPS are appropriated for the same purposes for the fiscal year beginning September 1, 2022, subject to the limitations in subsection (b) of this rider.

(b) Unexpended balance authority provided by this rider is limited to funds that were appropriated to DFPS or DSHS to support enterprise assessment billing for an HHSC capital budget project and for which HHSC has used other authority provided by this Act to make appropriations for capital budget purposes made by this Act for use during the first year of the biennium available for use in the second year of the biennium for the same purpose.